

<i>SERFF Tracking Number:</i>	<i>APCG-125185084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American International Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-025477</i>
<i>Company Tracking Number:</i>	<i>07-HO-AR-001R</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Homeowners 09/06 Rewrite /07-HO-AR-001R</i>		

## Filing at a Glance

Company: American International Insurance Company

Product Name: Homeowners	SERFF Tr Num: APCG-125185084	State: Arkansas
TOI: 04.0 Homeowners	SERFF Status: Closed	State Tr Num: AR-PC-07-025477
Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations	Co Tr Num: 07-HO-AR-001R	State Status:
Filing Type: Rule	Co Status:	Reviewer(s): Becky Harrington, Betty Montesi, Brittany Yielding
	Author: Darren O'Toole	Disposition Date: 12/18/2007
	Date Submitted: 07/17/2007	Disposition Status: Filed
Effective Date Requested (New): 11/01/2007		Effective Date (New):
Effective Date Requested (Renewal): 01/30/2008		Effective Date (Renewal):

State Filing Description:

## General Information

Project Name: Homeowners 09/06 Rewrite	Status of Filing in Domicile: Pending
Project Number: 07-HO-AR-001R	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 12/20/2007	
State Status Changed: 07/18/2007	Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

American International Insurance Company is submitting, for your approval, revisions to our Private Client Group Homeowners Program. The revisions include amendments to our Homeowners policy language along with new and revised endorsements which are enclosed. These revisions are the result of working with our program for a period of time and receiving feedback from our brokers as to where our program can be amended to reflect the needs of our insureds. Also, please note that we are withdrawing various endorsements from our program. Please see the attached Side-By-Side Comparison for a list of forms filed and withdrawn.

SERFF Tracking Number: APCG-125185084 State: Arkansas  
Filing Company: American International Insurance Company State Tracking Number: AR-PC-07-025477  
Company Tracking Number: 07-HO-AR-001R  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Homeowners 09/06 Rewrite /07-HO-AR-001R

The rules associated with this filing are included in corresponding filing 07-HO-AR-001F.

Enclosed are an Explanatory/Actuarial Memorandum and Side-by-Side Comparison for a detailed explanation of the revisions.

## Company and Contact

### Filing Contact Information

Darren O'Toole, Contract Analyst darren.o'toole@aig.com  
70 Pine Street, 22nd Floor (212) 770-3550 [Phone]  
New York, NY 10270 (212) 770-7261[FAX]

### Filing Company Information

American International Insurance Company CoCode: 32220 State of Domicile: New York  
70 Pine Street Group Code: 12 Company Type: Property &  
Casualty  
New York, NY 10270 Group Name: AIG State ID Number:  
(212) 770-5730 ext. [Phone] FEIN Number: 13-3333609  
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## Filing Fees

Fee Required? Yes  
Fee Amount: \$25.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
32037567	\$25.00	07/13/2007

SERFF Tracking Number:	APCG-125185084	State:	Arkansas
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Company Tracking Number:	07-HO-AR-001R		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Homeowners		
Project Name/Number:	Homeowners 09/06 Rewrite /07-HO-AR-001R		

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	12/20/2007	12/20/2007

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	11/14/2007	11/14/2007	Stefanie Colavito	12/18/2007	12/18/2007
Pending Industry Response	Becky Harrington	07/18/2007	07/18/2007	Darren O'Toole	10/24/2007	11/12/2007

<i>SERFF Tracking Number:</i>	<i>APCG-125185084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American International Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-025477</i>
<i>Company Tracking Number:</i>	<i>07-HO-AR-001R</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Homeowners 09/06 Rewrite /07-HO-AR-001R</i>		

## Disposition

Disposition Date: 12/18/2007

Effective Date (New):

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: APCG-125185084 State: Arkansas

Filing Company: American International Insurance Company State Tracking Number: AR-PC-07-025477

Company Tracking Number: 07-HO-AR-001R

TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners

Project Name/Number: Homeowners 09/06 Rewrite /07-HO-AR-001R

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Filed	No
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	No
Supporting Document	Before and After - Rules	Filed	Yes
Supporting Document	Explanatory Memo	Filed	Yes
Rate (revised)	Homeowners Rating Pages	Filed	Yes
Rate	Homeowners Rating Pages		Yes
Rate (revised)	Tenants/Condominium/Cooperative Rating Pages	Filed	Yes
Rate	Tenants/Condominium/Cooperative Rating Pages		Yes
Rate	General Rules	Filed	Yes

SERFF Tracking Number: APCG-125185084 State: Arkansas  
Filing Company: American International Insurance Company State Tracking Number: AR-PC-07-025477  
Company Tracking Number: 07-HO-AR-001R  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Homeowners 09/06 Rewrite /07-HO-AR-001R

## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 11/14/2007  
Submitted Date 11/14/2007

Respond By Date

Dear Darren O'Toole,

This will acknowledge receipt of the captioned filing.

### Objection 1

#### - General Rules (Rate)

Comment: Fire departments in Arkansas have used the ISO PPC system to encourage membership by promising that reductions in homeowners' rates are tied to whether the fire department can obtain a lower PPC number. Exceptions from the PPC number are detrimental to this process and therefore the legislature passed 23-88-104 to discourage exceptions from the PPC system unless they grant some benefit to the responding fire departments ability to attract and retain new members. Therefore, one could conclude that any deviation must give the fire departments some advantage in inducing the homeowners who buy the policy from the company to participate as a member in the responding fire district. Please provide an impact statement regarding the positive impact your classification rule has on responding fire districts ability to better respond to a fire or withdraw the rule.

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,

Becky Harrington

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 12/18/2007  
Submitted Date 12/18/2007

Dear Becky Harrington,

### Comments:

SERFF Tracking Number: APCG-125185084 State: Arkansas  
Filing Company: American International Insurance Company State Tracking Number: AR-PC-07-025477  
Company Tracking Number: 07-HO-AR-001R  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Homeowners 09/06 Rewrite /07-HO-AR-001R

This is in response to your letter dated 11/14/07.

## Response 1

Comments: We only deviate from ISO's PPC system when a community has a split classification (e.g., 6/9). In those cases, a location may receive the lower classification if it is near (within 1000 feet) an alternate water source that is directly accessible to fire fighting equipment. This rule recognizes that though the location is not near a public fire hydrant, the responding fire department can still effectively fight fires there due to the alternate water source. Since the location is better protected than the other locations that are not near a source of water, we assign it the lower classification.

### Related Objection 1

Applies To:

- General Rules (Rate)

Comment:

Fire departments in Arkansas have used the ISO PPC system to encourage membership by promising that reductions in homeowners' rates are tied to whether the fire department can obtain a lower PPC number. Exceptions from the PPC number are detrimental to this process and therefore the legislature passed 23-88-104 to discourage exceptions from the PPC system unless they grant some benefit to the responding fire departments ability to attract and retain new members. Therefore, one could conclude that any deviation must give the fire departments some advantage in inducing the homeowners who buy the policy from the company to participate as a member in the responding fire district. Please provide an impact statement regarding the positive impact your classification rule has on responding fire districts ability to better respond to a fire or withdraw the rule.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

We hope that you will find this satisfactory and look forward to the approval of our filing.

Sincerely,  
Darren O'Toole

SERFF Tracking Number: APCG-125185084 State: Arkansas  
Filing Company: American International Insurance Company State Tracking Number: AR-PC-07-025477  
Company Tracking Number: 07-HO-AR-001R  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Homeowners 09/06 Rewrite /07-HO-AR-001R

## Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 07/18/2007

Submitted Date 07/18/2007

Respond By Date

Dear Darren O'Toole,

This will acknowledge receipt of the captioned filing.

### Objection 1

- Homeowners Rating Pages (Rate)
- Tenants/Condominium/Cooperative Rating Pages (Rate)

Comment: The charge for AIG Safeguard endorsements including and excluding stalking are the same. It appears one is either priced excessively or the other is inadequate. Justify your charges.

### Objection 2

- General Rules (Rate)

Comment: Arkansas Code Annotated §23-88-104 requires insurers include an impact statement concerning the filing's effect on fire protection in the affected area, unless the insurer is utilizing a public protection classification system maintained by a licensed advisory organization. An impact statement must also be included for any exceptions to advisory organization classification systems or suburban rating plans. Please provide an impact statement regarding your deviation from PPC 9 to 6.

### Objection 3

- Homeowners Rating Pages (Rate)
- Tenants/Condominium/Cooperative Rating Pages (Rate)

Comment: As stated in the November 2005 filing objections, the 25% minor renovation surcharge appears excessive and lacks justification. A minor renovation could be as simple as installing new windows or replacing cabinetry. The surcharge might be reasonable if the insured were to vacate the home during renovation, however, you already have a vacancy surcharge in place that would cover the increased exposure to theft, vandalism, etc. The policy could be endorsed with any resulting increase in value which should satisfy the company's increased exposure for renovations. Please withdraw the rule.

### Objection 4

- Homeowners Rating Pages (Rate)
- Tenants/Condominium/Cooperative Rating Pages (Rate)

Comment: Indicate whether the wind/hail deductible rule is optional.



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Filing Company:      American International Insurance Company      State Tracking Number:      AR-PC-07-025477  
Company Tracking Number:      07-HO-AR-001R  
TOI:      04.0 Homeowners      Sub-TOI:      04.0000 Homeowners Sub-TOI Combinations  
Product Name:      Homeowners  
Project Name/Number:      Homeowners 09/06 Rewrite /07-HO-AR-001R

#### Objection 5

- Homeowners Rating Pages (Rate)
- Tenants/Condominium/Cooperative Rating Pages (Rate)

Comment: Indicate whether the flood coverage is mandatory or optional. Provide the underwriting guidelines for the coverage.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Please feel free to contact me if you have questions.

Sincerely,

Becky Harrington

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/24/2007
Submitted Date	11/12/2007

Dear Becky Harrington,

#### Comments:

This is in reponse to your letter dated 7/18/07 on the above captioned filing.

#### Response 1

Comments: Please note that the wind or hail deductible is optional.

#### Related Objection 1

Applies To:

- Homeowners Rating Pages (Rate)
- Tenants/Condominium/Cooperative Rating Pages (Rate)

Comment:

Indicate whether the wind/hail deductible rule is optional.

#### Changed Items:

No Supporting Documents changed.

SERFF Tracking Number: APCG-125185084 State: Arkansas  
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Company Tracking Number: 07-HO-AR-001R  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Homeowners 09/06 Rewrite /07-HO-AR-001R

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 2

Comments: Please note that Flood coverage is an optional coverage. We do not have specific underwriting guidelines for Flood coverage. If the insured is within our general guidelines for Homeowners, then they have the option to purchase the coverage.

### Related Objection 1

Applies To:

- Homeowners Rating Pages (Rate)
- Tenants/Condominium/Cooperative Rating Pages (Rate)

Comment:

Indicate whether the flood coverage is mandatory or optional. Provide the underwriting guidelines for the coverage.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 3

Comments: The Household SafeGuard endorsement with stalking coverage is used for the majority of insureds. We will utilize the form that excludes stalking when writing insureds with a public profile such as an actor, musician, athlete, a CEO easily identified by the general public, etc. These insureds with a public profile are a greater target for becoming victims of the insured events covered by this endorsement. This higher exposure should result in a greater cost. Removing the stalking coverage does eliminate one exposure from the coverage while it also eliminates the need to charge a higher premium for risks with a significantly greater exposure. Thus, the premium costs are the same.

### Related Objection 1

Applies To:

- Homeowners Rating Pages (Rate)
- Tenants/Condominium/Cooperative Rating Pages (Rate)

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TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Homeowners 09/06 Rewrite /07-HO-AR-001R

**Comment:**

The charge for AIG Safeguard endorsements including and excluding stalking are the same. It appears one is either priced excessively or the other is inadequate. Justify your charges.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Response 4**

Comments: Please note that the Protection Class rule essentially overrides the ISO designation, as the criteria replicate the 'spirit' of the ISO definitions. In other words, the PC 9 assignment is evident due to no water source, but if the town has the equipment to draft water from an alternative source (i.e. pool or lake), the PC would be rated as though it were a PC 6.

**Related Objection 1**

Applies To:

- General Rules (Rate)

Comment:

Arkansas Code Annotated §23-88-104 requires insurers include an impact statement concerning the filing's effect on fire protection in the affected area, unless the insurer is utilizing a public protection classification system maintained by a licensed advisory organization. An impact statement must also be included for any exceptions to advisory organization classification systems or suburban rating plans. Please provide an impact statement regarding your deviation from PPC 9 to 6.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

SERFF Tracking Number: APCG-125185084 State: Arkansas  
Filing Company: American International Insurance Company State Tracking Number: AR-PC-07-025477  
Company Tracking Number: 07-HO-AR-001R  
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations  
Product Name: Homeowners  
Project Name/Number: Homeowners 09/06 Rewrite /07-HO-AR-001R

## Response 5

Comments: As requested, we have withdrawn the 25% minor renovation surcharge from our rules. Please see revised Homeowners and Tenants/Condominium/Cooperative Rating Pages attached.

### Related Objection 1

Applies To:

- Homeowners Rating Pages (Rate)
- Tenants/Condominium/Cooperative Rating Pages (Rate)

Comment:

As stated in the November 2005 filing objections, the 25% minor renovation surcharge appears excessive and lacks justification. A minor renovation could be as simple as installing new windows or replacing cabinetry. The surcharge might be reasonable if the insured were to vacate the home during renovation, however, you already have a vacancy surcharge in place that would cover the increased exposure to theft, vandalism, etc. The policy could be endorsed with any resulting increase in value which should satisfy the company's increased exposure for renovations. Please withdraw the rule.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

### Rate/Rule Schedule Item Changes

Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing #
Homeowners Rating Pages	AR-RT-1 to AR-RT-21 Edition	Replacement	
	09/06		

#### Previous Version

Homeowners Rating Pages	AR-RT-1 to AR-RT-2	Replacement
Tenants/Condominium/Cooperative Rating Pages	AR-RT-1 to AR-RT-18 Edition	Replacement
	09/06	

#### Previous Version

Tenants/Condominium/Cooperative Rating Pages	AR-RT-1 to AR-RT-18	Replacement
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We hope that you will find this satisfactory and look forward to the approval of our filing. If you have any additional questions, please feel free to contact me.

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<i>Filing Company:</i>	<i>American International Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-025477</i>
<i>Company Tracking Number:</i>	<i>07-HO-AR-001R</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Homeowners 09/06 Rewrite /07-HO-AR-001R</i>		

Sincerely,  
Darren O'Toole

<i>SERFF Tracking Number:</i>	<i>APCG-125185084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American International Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-025477</i>
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<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Homeowners 09/06 Rewrite /07-HO-AR-001R</i>		

## **Rate Information**

Rate data does NOT apply to filing.

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## Rate/Rule Schedule

<b>Review Status:</b>	<b>Exhibit Name:</b>	<b>Rule # or Page #:</b>	<b>Rate Action</b>	<b>Previous State Filing Attachments Number:</b>
Filed	Homeowners Rating Pages	AR-RT-1 to AR-RT-21 Edition 09/06	Replacement	AR_HO_Rate Man 0906-II.pdf
Filed	Tenants/Condominium/Cooperative Rating Pages	AR-RT-1 to AR-RT-18 Edition 09/06	Replacement	AR_tnco_Rate Man 0906-II.pdf
Filed	General Rules	Rule VI	Replacement	AR_HO_GR Rule VI.pdf

# AIG PRIVATE CLIENT GROUP HOMEOWNERS RATING PAGES STATE OF ARKANSAS

## **BASE PREMIUM**

The calculation of the **Base Premium** is described in the General Rules and includes:

- 20% of House Coverage for Other Permanent Structures coverage
- 50% of House Coverage for Contents coverage
- Other coverages, as described in the policy. See policy for complete coverage description.

## **PROTECTION CLASS/CONSTRUCTION FACTORS**

Protection Class	Construction Type		
	Frame/Veneer	Masonry	Fire Resistive
1 – 6	1.00	0.95	0.85
7, 8	1.25	1.19	1.06
9	1.90	1.81	1.62
10	2.30	2.10	1.85

### **Masonry**

The house must have exterior walls built of solid masonry or other fire resistive materials.

### **Fire Resistive**

The house must have exterior walls, floors, roof cover and roof structure built of solid masonry or other fire resistive materials with a rating of two hours or more.

## **WIND OR HAIL DEDUCTIBLES**

Wind or Hail Deductibles of 0.5%, 1% and 2% are available. The deductible will apply to the total direct loss for house, other permanent structures and contents coverages.

If a Wind or Hail Deductible is requested, the following credit will apply:

<b>Deductible</b>	<b>Credit</b>
0.5%	3%
1.0%	6%
2.0%	9%

In the event of a wind or hail loss, the greater of the standard deductible or the Wind or Hail Deductible will apply.

Use **Wind or Hail Percentage Deductible** Endorsement.

## **PERCENTAGE ADJUSTMENTS**

To apply percentage credits and surcharges:

Add together all credits and surcharges. The resulting percentage is the net credit or net surcharge to be applied to the premium. **The following discounts and surcharges are applicable to all houses excluding those in the course of construction. For houses in the course of construction, please refer to the company.**



Section I applies to all houses excluding those in the course of construction. — Section II applies only to houses in the course of construction.

### **Section I. All Houses Including Course of Construction**

#### **Claim Record Adjustment**

The premium will be adjusted according to the schedule shown below:

Consecutive Years Insured with AIG PCG	Basic Premium Adjustment				
	Number of Qualified Paid Claims in the Last 3 Years				
	0	1	2	3	4+
0 – 2	0%	0%	+30%	+55%	+85%
3 – 5	-5%	-5%	+30%	+55%	+85%
6 – 8	-10%	-10%	+25%	+55%	+85%
9 +	-15%	-15%	+10%	+45%	+85%

*Consecutive Years with AIG Private Client Group* – the years with AIG Private Client Group are determined by the number of consecutive years (ending with the current renewal date) that the policyholder or spouse has had an AIG Private Client Group policy covering their primary dwelling or contents. Although the number of consecutive years is based on the policy on the primary dwelling or contents, it will also be used for any secondary residence insured by the AIG Private Client Group.

If the policy is reinstated, the number of consecutive years with the AIG Private Client Group applying at the time of cancellation or expiration will be used provided the reinstatement occurs within three years.

*Number of Qualified Paid Claims in the Last 3 Years* – the number of claims is determined by the number of qualified paid claims the policyholder has had in the last 3 years (ending 3 months prior to the current renewal effective date). A qualified claim is considered to be any non-catastrophe or non-weather related claim that resulted in a net paid loss during this 3-year period. Losses that only have payments under Medical Payments coverage are also NOT considered to be qualified claims.

The number of qualified Property claims may be reduced or eliminated with the selection of a higher deductible. All claims that would not have applied if this higher deductible option had been in force at the time of the claim are removed from the total qualified claim count.

The number of qualified Liability claims may be reduced or eliminated with the elimination of the exposure that caused the claim.

#### **Private Collections Policy Credit**

There is a 5% credit for an insured residence which houses items insured under an AIG Private Collections policy whose premium is at least \$1,000. The residence can be either primary or secondary. The credit may be reduced if a premium reversal was to occur.

#### **Excess Flood Policy Credit**

There is a 10% credit if the insured has also purchased an AIG Private Client Group Excess Flood policy whose premium is at least \$2,000, which covers the same insured residence. The credit may be reduced if a premium reversal was to occur.

#### **Burglar Alarm Credit**

There is a 5% credit if a house has a direct reporting or central station burglar alarm system that is maintained and in use.

### **Fire Alarm Credit**

There is a 5% credit if a house has a direct reporting or central station fire alarm system that is maintained and in use.

### **Protection Credit**

There are additional credits available for a highly protected house. Maximum total credit is ~~40~~12%. Add the applicable credits from the following:

	<b>CREDIT</b>
1. Security protection for the entire external perimeter of the house consisting of any one or more of the following: <ul style="list-style-type: none"><li>• Closed circuit TV cameras monitored 24 hours a day</li><li>• Detection system, external to the residence which is motion activated and monitored 24 hours per day</li><li>• 24-hour on-site security guard.</li></ul>	5%
2. Full-time caretaker who lives at the residence year round. (if house is seasonal, this discount is not applicable; a separate discount exists). This credit applies only if a 24-hour on-site security guard is not present.	2%
3. 24-hour signal continuity protection for central station or direct fire and burglar alarm systems which ensures uninterrupted communication with the central station in the event that primary communication is interrupted.	2%
4. Sprinkler system water flow alarm that activates a central station or direct alarm.	2%
5. Temperature monitoring system, to protect against freezing, which activates a central station alarm.	2%
6. Permanently installed, electrical power back-up generator capable of servicing heat, light, alarm and sprinkler systems.	2%
7. Explosive gas leakage detector that activates a central station alarm.	2%
8. Automatic seismic shut-off valve to gas lines which activates automatically in the event of an earthquake.	2%
9. Lightning protection system having a U.L. Master Label and installed by a certified Lightning Protection Institute installer. The system must include lightning rods and lightning surge arresters protecting the electrical wiring and all electronic devices of the entire house.	2%
10. House protected by a perimeter gate where vehicular and pedestrian access is limited to entrances controlled by locked or electronic gates. This credit <u>does not</u> apply if the guard gated community credit applies.	2%
11. Automatic water shut-off valve that actively monitors and protects all residential plumbing in the main residence. If a leak occurs, this device must: <ul style="list-style-type: none"><li>• close and shut off the master plumbing valve; or</li><li>• close and shut off the mater plumbing valve and activate the central station or direct alarm system</li></ul>	3% 5%

**New House Credit**

There is a credit for a house built within the last ten years as shown below. The age of the dwelling is computed by subtracting the year of construction from the policy effective year.

<u>Age of Dwelling</u>	<u>Credit</u>
1	16%
2	15%
3	14%
4	13%
5	12%
6	10%
7	8%
8	6%
9	4%
10	2%

This credit does not apply if the renovated house credit applies.

**Renovated House Credit**

There is a credit for houses that have been renovated within the last ten years as shown below. The year of the oldest renovation will be determined by an authorized inspector. To qualify for this credit, the house must be renovated as defined in the General Rules.

<u>Years since Oldest Renovation</u>	<u>Credit</u>
1	16%
2	15%
3	14%
4	13%
5	12%
6	10%
7	8%
8	6%
9	4%
10	2%

This credit does not apply if the new house credit applies.

**Guard Gated Community Credit**

There is a 5% credit for a house located in a gated community meeting all of the following criteria:

- vehicular and pedestrian access is limited to entrances controlled by guards or locked gates at all times;
- proper identification is required to enter; and
- visitors are announced.

### **Residential Sprinkler System Credit**

There is a 10% credit for houses if all enclosed spaces are protected by a properly maintained sprinkler system. Protected areas must include:

- All living areas
- Basements
- Garages
- Mechanical areas

There is a 5% credit for houses if the following areas are protected by a properly maintained sprinkler system:

- Areas of egress
- Mechanical areas

Only one of the above sprinkler credits may apply.

### **No Contents Coverage Credit**

There is a 20% credit if the Contents coverage is eliminated in its entirety.

### **Off-Premises Theft Exclusion Credit**

The Base Premium includes coverage for loss by theft to personal property away from the residence premises. This endorsement deletes this coverage. There is a 2% credit if this coverage is deleted.

Use **Off-Premises Theft Exclusion** Endorsement.

### **Rented to Others Surcharge**

There is a 25% surcharge while the house is rented to others by the insured.

### **Seasonal/Secondary House Surcharge**

There is a 10% surcharge on any house maintained as a seasonal or secondary house that is unoccupied for more than 60 days in any given policy term, if and only if there is a primary residence also insured on the same policy. The surcharge is 30% if the seasonal or secondary house is 'unsupported', or if there is no primary residence on the policy.

The 10% surcharge does not apply if a full-time caretaker is present at the seasonal or secondary house during the owner's absence, and the 'unsupported' is reduced to 20%. The surcharge is reduced to 5% (25% if unsupported) if a fulltime caretaker lives on the grounds, but not in the house itself, or to 8% (28% if unsupported) if a caretaker (or equivalent service with an established maintenance company) checks on the house at least once per week during the unoccupied time period.

### **Vacancy Surcharge**

There is a 25% surcharge if this house is vacant, defined to be empty of furnishings and contents for more than 30 days.

### **Section II- Course of Construction Only**

#### **Course of Construction Adjustment Table**

<b><u>Risk Characteristic:</u></b>	<b><u>+/-</u></b>
<b><u>TIV is &lt; \$5M</u></b>	<b><u>+25%</u></b>
<b><u>PC 9- Fire Department Response time &lt; 10 minutes year round</u></b>	<b><u>+20%</u></b>

The fire department is located within 5 miles away with access routes that is clear and allow response time within 10 minutes year round.	
<b>PC 10: Fire Department Response time between 10 and 20 minutes year round</b> The fire department is located between 5 and 10 miles away with access routes that is clear and allow response within 20 minutes year round or the fire department is closer but with poor access routes.	+40%
<b>Extreme PC 10: Fire Department Response time &gt; 20 minutes</b> The fire department is located over 10 miles away with access routes that are clear and allow response year round or the fire department is closer but with poor access routes.	+60%
<b>Superior Protection Credits:</b>	
<b>Full Perimeter Fence</b> Full site perimeter fence with entrance gated and locked during the hours that construction operations are not in progress	-5%
<b>Gated Driveway</b> Entranceway to site gated and locked during the hours that construction operations are not in progress	-2.5%
<b>Exterior Lighting</b> The site is fitted with exterior lights operating during all non-daylight hours	-2.5%
<b>Watchman / Security Guard or 24 Hour Occupancy</b> The guard must be onsite during the hours that construction operations are not in progress thus ensuring around the clock occupancy; or the insured must live in the home during the project.	-15%
<b>Project Characteristics:</b>	
<b>Period of Works &gt; 12 months</b> The planned period of the works exceeds 12 months and values will not be stepped.	+15%
<b>Annual Stepping of RG</b> The project will last greater than 12 months and values will be stepped on an annual basis.	+20%
<b>Semi — Annual Stepping of RG</b> The project will last greater than 12 months and values will be stepped on a 6 months basis.	+30%
<b>Quarterly Stepping of RG</b> The project will last greater than 12 months and values will be stepped on an annual basis.	+60%
<b>Insured has Waived Subrogation Rights by Contract</b> The terms of the contract between client and contractor waive the client's subrogation rights against the contractor	+50%

## **LIABILITY**

### **Liability**

The **Base Premium** does not include a charge for personal liability. This coverage may be purchased for the charges below. This coverage will be rated in the state where the Primary residence is located regardless of the location of the additional residence(s).

Amount of Liability Coverage	Liability Premium			
	Primary Location		Each Additional Location	
	Is coverage provided for building and/or contents?		Is coverage provided for building and/or contents?	
	Yes	No	Yes	No
300,000	\$40	\$65	\$15	\$30
500,000	\$50	\$75	\$16	\$31
1,000,000	\$60	\$85	\$18	\$33

Amount of Liability Coverage	Liability Premium
	Course of Construction*
300,000	\$100
500,000	\$200
1,000,000	\$250

\*For exposures in the Course of Construction, an additional liability charge is applicable if contractors and/or subcontractors do not maintain limits of liability equal to or greater than the total insured value of the project. The additional charge is \$1,500 per million with respect to the 'gap' in liability coverage, and would be charged pro-rata when necessary. For example, if the total insured value of the project is \$5M, and the contractors liability policy limit is \$2.5M, an additional charge of  $\$1,500 * (\$5M - \$2.5M) = \$3,750$  will be applicable.

#### **Medical Payment to Others**

The Liability Premium includes \$10,000 of Medical Payments to Others.

### **DOLLAR ADJUSTMENTS**

To apply dollar adjustments:

Subtract any applicable credits and add any applicable surcharges to the premium.

#### **House Replacement Cost Credit**

If Guaranteed Rebuilding Cost Coverage on the house is removed, and Replacement Cost Coverage is selected as the payment basis for the house, there is a premium credit of \$5.

#### **House and Contents Coverage**

##### **Contents**

The **Base Premium** includes Contents coverage at 50% of the House coverage. This amount may be increased above 50%, decreased down to 10%, or eliminated. The additional charge or credit is indicated below.

<b>Contents Coverage</b>	<b>Premium Adjustment</b>
For each \$1,000 of Contents above 50% of House Coverage:	Add \$ 1.25
For each \$1,000 of Contents below 50%, but not less than 10% of House Coverage:	Subtract \$ 0.75
For no Contents Coverage	See <i>No Contents Coverage Credit</i>

#### **Other Permanent Structures**

The **Base Premium** includes Other Permanent Structures coverage at 20% of the House coverage. This amount may be increased above 20% or decreased down to **a minimum of 10% 0%** of House coverage. The additional charge or credit is indicated below.

<b>Other Permanent Structures (OPS) Coverage</b>	<b>Premium Adjustment</b>
For each \$1,000 of OPS above 20% of House Coverage:	Add \$ 3.00
For each \$1,000 of OPS below 20% <b>-but not less than 10%</b> of House Coverage:	Subtract \$ 1.00

#### **Additional Insured**

This endorsement amends coverage to include an additional person or organization on a specific location. There is no premium charge for this endorsement.

Use **Additional Insured** Endorsement.

#### **Additional Interests**

This endorsement provides coverage for any additional mortgagee(s) not listed on the Declarations Page that have an interest in the residence. There is no premium charge for this endorsement.

Use **Additional Interests** Endorsement.

#### **Business Property Extension**

**This endorsement extends coverage up to a specified limit amount for a covered loss to business property. The premium charge is \$25 per \$2,500.**

**Use Business Property Extension Endorsement.**

#### **Business Pursuits**

This endorsement extends liability coverage to specific business pursuits of the insured. The Business Pursuits liability limit must equal the personal liability limit selected. The premium charge is as follows:

<b>Amount of Liability Coverage</b>	<b>Charge per Insured Person</b>
\$300,000	\$25
\$500,000	\$30
\$1,000,000	\$35

Use **Business Pursuits** Endorsement.

### **Coinsurance Clause**

This endorsement describes the payment for loss to a property when the residence is not insured to value. There is no premium adjustment for this endorsement.

Use **Coinsurance Clause** Endorsement.

### **Deductible Waiver for Large Losses**

There is a surcharge when the option to waive the standard deductible for covered losses in excess of \$50,000 is selected. This endorsement ~~can be purchased is available~~ with deductibles up to \$25,000. ~~This waiver of deductible does not apply to special deductibles for wind and hail, or earthquake.~~

- ~~1. Special deductibles including, but not limited to wind and hail, hurricane, named storm or earthquake, or~~
- ~~2. Separate coverage deductibles contained within the Equipment Breakdown or Fraud Safeguard endorsements.~~

The premium charge is as follows:

Coverage A Limit / Deductible ->	\$250	\$500	\$1,000	\$2,500	\$5,000	\$10,000	\$25,000
0 - \$350K	\$1	\$1	\$2	\$5	\$10	\$20	\$50
\$350K - \$500K	\$1	\$2	\$4	\$10	\$20	\$40	\$100
\$500K - \$750K	\$2	\$3	\$6	\$15	\$30	\$60	\$150
\$750K - \$1M	\$3	\$5	\$10	\$25	\$50	\$100	\$250
\$1M - \$1.5M	\$4	\$8	\$15	\$38	\$75	\$150	\$375
\$1.5M - \$2M	\$5	\$10	\$20	\$50	\$100	\$200	\$500
\$2M - \$3M	\$6	\$11	\$22	\$55	\$110	\$220	\$550
\$3M - \$5M	\$6	\$12	\$24	\$60	\$120	\$240	\$600
\$5M - \$7.5M	\$7	\$13	\$26	\$65	\$130	\$260	\$650
\$7.5M - \$10M	\$8	\$16	\$32	\$80	\$160	\$320	\$800
\$10M +	\$10	\$20	\$40	\$100	\$200	\$400	\$1,000

Use **Deductible Waiver for Large Losses** Endorsement.

### **Earthquake Coverage Extension**

This peril is automatically included for Contents coverage. Coverage can be purchased to cover losses to House and Other Permanent Structures. The additional premium is computed as follows:

1. Determine the rate per \$1,000 according to construction and deductible option.
2. Apply the rate to the House amount of insurance.

The premium per \$1,000 of coverage is shown below:

Deductible	House	
	Frame/Veneer	Masonry
5%	0.75	1.00
10%	0.67	0.95
15%	0.59	0.89
20%	0.50	0.84
25%	0.42	0.79

The same construction definitions listed above for Construction Type Factors apply.

Use **Earthquake Coverage Extension** Endorsement.



### **Earthquake Coverage Extension – Loss Assessment**

This endorsement extends coverage under loss assessment for the peril of earthquakes. The premium charge is \$10 per \$1,000 of coverage up to \$100,000.

Use **Earthquake Coverage Extension for Loss Assessment** Endorsement.

### **Equipment Breakdown Coverage**

This endorsement provides equipment breakdown insurance to cover equipment attached to and made part of the dwelling or other structure which would otherwise be excluded. A premium charge is required for each location where coverage applies.

The Equipment Breakdown for Homeowners premium depends on three variables:

- a.) The value identified under Coverage A of the house, or Coverage C if a condominium, cooperative or rental unit;
- b.) The deductible; c.) The EB for Homeowners limit factor

**a.) The building value identified under Coverage A of the house, or Coverage C if a condominium, cooperative or rental unit, Real Property Value, determines the tiered base rate:**

**Table A Base Rates**

Base Rates are tiered as follows:

Real Property Value			Base Rate
	<	\$350,000	\$32
\$350,000	-	\$500,000	\$49
\$500,000	-	\$750,000	\$61
\$750,000	-	\$1,000,000	\$74
\$1,000,000	-	\$1,500,000	\$92
\$1,500,000	-	\$2,000,000	\$111
\$2,000,000	-	\$3,000,000	\$137
\$3,000,000	-	\$5,000,000	\$181
\$5,000,000	-	\$7,500,000	\$237
\$7,500,000	-	\$10,000,000	\$291
\$10,000,000	-	\$15,000,000	\$359
\$15,000,000	-	\$20,000,000	\$441
\$20,000,000	-	\$25,000,000	\$515
	>	\$25,000,000	Refer to company

### **b.) The deductible on the Equipment Breakdown endorsement**

The base rates contemplate a deductible of \$500. If the Equipment Breakdown endorsement uses a higher deductible then select the applicable deductible factor from Table B. For intermediate values, use the next lower deductible entry.

	Table B Deductibles			
	Deductible Level			
Coverage A (or Coverage C if Condo, Coop or Rental Unit) Value Range	\$500	\$1,000	\$2,500	\$5,000
0-\$350,000	1.00	0.88	0.61	0.58
\$350,000-\$500,000	1.00	0.88	0.63	0.59
\$500,000-\$750,000	1.00	0.89	0.66	0.60

\$750,000-\$1,000,000	1.00	0.89	0.67	0.61
\$1,000,000-\$1,500,000	1.00	0.90	0.71	0.61
\$1,500,000-\$2,000,000	1.00	0.91	0.73	0.61
\$2,000,000-\$3,000,000	1.00	0.92	0.74	0.62
\$3,000,000-\$5,000,000	1.00	0.92	0.76	0.63
\$5,000,000-\$7,500,000	1.00	0.93	0.80	0.64
\$7,500,000-\$10,000,000	1.00	0.95	0.83	0.64
\$10,000,000-\$15,000,000	1.00	0.95	0.85	0.65
\$15,000,000-\$20,000,000	1.00	0.96	0.85	0.66
\$20,000,000-\$25,000,000	1.00	0.96	0.86	0.66
> \$25,000,000	Refer to company			

Multiply the base rate from step 5.a by the deductible factor.

### c.) The EB for Homeowners Limit Factor

i.) Determine the limit of insurance.

ii.) Multiply the EB for Homeowners limit factor, from Table C, by the premium determined in 5.b above.

Table C		EB for Homeowners Limit Factors			
Limit	\$50,000	\$100,000	\$150,000	\$200,000	\$250,000
Factor	1.000	1.040	1.046	1.051	1.055

The resultant product is the Homeowners Equipment Breakdown endorsement premium.

Use Equipment Breakdown Coverage Endorsement

### Exclusion of Specified Affixed Fine Art and Unique Items

This endorsement removes coverage for specifically named Fine Art and Unique Items from the Homeowners Policy. There is a \$5 premium credit for this endorsement.

Use Exclusion of Specified Affixed Fine Art and Unique Items Endorsement.

### Exclusion of Specified Other Permanent Structures

See House and Contents, Other Permanent Structures under Dollar Adjustments.

### Extended Rebuilding Cost Coverage

The Policy offers Guaranteed Rebuilding Cost of the House or Other Permanent Structures. This endorsement reduces the loss payment of the House or Other Permanent Structures to 150%. The premium credit is \$2 for this endorsement.

Use Extended Rebuilding Cost Coverage Endorsement.

### Fine Arts Exclusion

This endorsement removes coverage for Fine Arts from the Homeowners Policy. There is a \$5 premium credit for this endorsement.

Use Fine Arts Exclusion Endorsement.

**Flood Coverage**

Primary flood coverage will be provided if residence meets company underwriting guidelines. This endorsement extends coverage for flood, up to a limit of \$350,000, subject to the terms and conditions noted on the Flood Coverage Endorsement. The rates do not vary by territory.

<b>Dwelling (Coverage A) Limit / Deductible -&gt;</b>	<b>\$500</b>	<b>\$1,000</b>	<b>\$2,500</b>	<b>\$5,000</b>
0 < \$350K	326	280	223	182
\$350K < \$500K	383	331	265	215
\$500K < \$750K	423	364	291	237
\$750K < \$1M	465	400	321	260
\$1M < \$1.5M	510	440	353	287
\$1.5M < \$2M	562	485	388	315
\$2M < \$3M	618	533	427	346
\$3M < \$5M	680	586	469	381
\$5M < \$7.5M	747	645	516	419
\$7.5M < \$10M	823	710	567	461
\$10M +	905	780	624	508

<b>Dwelling (Coverage A) Limit / Deductible -&gt;</b>	<b>\$10,000</b>	<b>\$25,000</b>	<b>\$50,000</b>	<b>\$100,000</b>
0 < \$350K	143	125	112	98
\$350K < \$500K	168	149	132	116
\$500K < \$750K	186	164	146	128
\$750K < \$1M	205	180	160	140
\$1M < \$1.5M	225	198	176	153
\$1.5M < \$2M	247	218	194	170
\$2M < \$3M	272	240	213	186
\$3M < \$5M	299	264	234	205
\$5M < \$7.5M	329	290	249	226
\$7.5M < \$10M	362	319	284	248
\$10M +	397	352	313	273

Use Flood Coverage Endorsement.

**AIG Fraud SafeGuard Coverage**

This endorsement extends coverage for fraud, embezzlement, or forgery, ATM robbery or stolen identity event. This endorsement can be purchased with deductibles up to \$5,000. The premium charge is as follows:

Fraud, Embezzlement or Forgery Limit	Stolen ID Event Limit	ATM Robbery Limit	Fraud, Embezzlement or Forgery Deductible				
			\$250	\$500	\$1,000	\$2,500	\$5,000
\$5,000	\$5,000	\$2,500	\$80	\$74	\$66	\$53	\$43
\$10,000	\$10,000	\$2,500	\$105	\$98	\$89	\$73	\$59
\$15,000	\$15,000	\$2,500	\$121	\$114	\$104	\$87	\$72
\$20,000	\$20,000	\$2,500	\$133	\$126	\$116	\$98	\$82
\$25,000	\$25,000	\$2,500	\$143	\$136	\$126	\$107	\$90
\$30,000	\$30,000	\$2,500	\$151	\$144	\$134	\$115	\$97
\$35,000	\$35,000	\$2,500	\$158	\$151	\$140	\$121	\$103
\$40,000	\$40,000	\$2,500	\$165	\$157	\$146	\$127	\$109
\$45,000	\$45,000	\$2,500	\$170	\$163	\$152	\$132	\$114
\$50,000	\$50,000	\$2,500	\$175	\$167	\$157	\$137	\$118
\$55,000	\$55,000	\$2,500	\$180	\$172	\$161	\$142	\$123
\$60,000	\$60,000	\$2,500	\$184	\$176	\$165	\$145	\$126
\$65,000	\$65,000	\$2,500	\$188	\$180	\$169	\$149	\$130
\$70,000	\$70,000	\$2,500	\$191	\$183	\$173	\$153	\$133
\$75,000	\$75,000	\$2,500	\$194	\$187	\$176	\$156	\$136
\$80,000	\$80,000	\$2,500	\$197	\$190	\$179	\$159	\$139
\$85,000	\$85,000	\$2,500	\$200	\$193	\$182	\$162	\$142
\$90,000	\$90,000	\$2,500	\$203	\$195	\$184	\$164	\$145
\$95,000	\$95,000	\$2,500	\$206	\$198	\$187	\$167	\$147
\$100,000	\$100,000	\$2,500	\$208	\$200	\$190	\$169	\$150

Use **AIG Fraud SafeGuard Coverage Endorsement**.

#### **Fungi Liability Extension**

This endorsement extends coverage up to a specified limit amount for liability arising from ensuing fungi. The premium charge is \$5 per policy.

Use **Fungi Liability Extension Endorsement**.

#### **AIG Household SafeGuard**

This endorsement extends coverage for kidnapping, child abduction, stalking, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies. The premium charge is \$95 per policy.

Use **AIG Household SafeGuard Endorsement**.

#### **AIG Household SafeGuard (Stalking Excluded)**

This endorsement extends coverage for kidnapping, child abduction, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies. The premium charge is \$95 per policy.

Use **AIG Household SafeGuard (Stalking Excluded) Endorsement**.

#### **Identity Fraud Expense Coverage**

This endorsement defines coverage for expenses incurred by a covered person as a direct result of identity fraud commenced during the policy period. The premium charge is \$25 per \$10,000.

Use **Identity Fraud Expense Coverage Endorsement**.

#### **Increased Ensuing Fungi, ~~Wet or Dry Rot,~~ or Bacteria Coverage**

Ensuing fungi remediation expense coverage is included up to \$10,000 in the base policy. The amount of coverage can be increased by either a flat dollar amount or a percentage of house coverage (or contents coverage if condo, coop or rental unit). The additional premium is shown below:

<b>Amount of Coverage</b>	<b>Premium</b>
<b>\$25,000</b>	<b>\$120</b>

available at For limits up to 100% of the House Coverage (contents, other permanent structures sub-limits apply) or 100% of Contents Coverage if condo, coop or rental unit.—Aa separate premium is developed for these coverages by applying the following factor to policy base premium:

<b>Percentage of House Coverage(or Contents Coverage if Condo, Coop or Rental Unit)</b>	<b>Factor</b>	
	<b>Houses</b>	<b>Condos, Coops, and Renters</b>
10%	20%	10%
25%	30%	15%
50%	35%	17.5%
100%	60%	30%

Use **Increased Ensuing Fungi ~~Wet or Dry Rot,~~ or Bacteria Coverage Endorsement**.

#### **Increased Limit on Personal Property in Other Residences**

The policy provides coverage up to 10% of the highest amount of contents coverage of any single location listed on the policy, for each occurrence, for personal property located at a residence that does not have contents coverage in this policy. The premium charge to increase this limit is \$6.50 per \$1,000.

Use **Increased Limit on Personal Property in Other Residences Endorsement**.

#### **Increased Limits ~~Incidental~~ Business Property**

This endorsement extends coverage up to a specified limit for a covered loss to **business** property used for an incidental business. The premium charge is \$25 per \$2,500.

Use **Increased Limits ~~Incidental~~ Business Property Endorsement**.

### **Increased Loss Assessment Coverage**

The policy provides \$50,000 in loss assessment coverage. This coverage can be increased up to an additional \$50,000, to a total of \$100,000. The premium charge is \$2 per \$1,000.

Use **Increased Loss Assessment Coverage Endorsement**.

### **Increased Threshold of Incidental Business**

The Homeowners Policy includes a definition for “incidental business”. This endorsement amends the definition of “incidental business” by increasing the gross annual revenues earned for business and farming for the following premium charge:

Gross Annual Revenues Earned		Premium Charge
Business	Farming	
\$25,000	\$50,000	\$50
\$50,000	\$100,000	\$100

Use **Increased Threshold of Incidental Business Endorsement**.

### **Inflation Guard**

This endorsement increases limits of the house, contents, and other permanent structures. There is no premium charge for this endorsement.

Use **Inflation Guard Endorsement**.

### **Landscaping Coverage Increased Limits**

The **Base Premium** includes coverage for landscaping, up to 5% of House or Contents coverage, whichever is greater. This coverage is provided for specifically named perils and includes a \$5,000 limit on any one tree, shrub or plant. The coverage amount may be increased for the following premium charge.

Tree, Shrub or Plant Limit	Aggregate Landscaping Coverage	
	Up to 5%	Above 5%
\$5,000 limit	Included	\$3.00 per \$1,000
\$10,000 limit	\$2.00 per \$1,000	\$4.00 per \$1,000
<b>\$25,000 limit</b>	<b>\$4.00 per \$1,000</b>	<b>\$8.00 per \$1,000</b>
<b>\$50,000 limit</b>	<b>\$7.00 per \$1,000</b>	<b>\$13.00 per \$1,000</b>
<b>\$100,000 limit</b>	<b>\$12.00 per \$1,000</b>	<b>\$18.00 per \$1,000</b>

Use **Landscaping Coverage Increased Limits Endorsement**.

### **Landscaping Limitation**

The **Base Premium** includes coverage for landscaping, up to 5% of House or Contents coverage, whichever is greater. This endorsement removes the perils of fire, lightning and explosion from specifically named perils covered. It includes a \$5,000 limit on any one tree, shrub or plant. There is a \$5 premium credit for this endorsement.

Use **Landscaping Limitation Endorsement**.

### **Landscaping Wind Coverage**

The **Base Premium** does not include landscaping coverage for losses caused by wind. Coverage against this peril may be added for the following premium charge. The percentage of Landscaping Wind Coverage must equal the percentage selected for Landscaping Coverage.

<b>Tree, Shrub or Plant Limit</b>	<b>Premium Charge</b>
\$5,000 limit	\$5.00 per \$1,000
\$10,000 limit	\$8.00 per \$1,000
<b>\$25,000 limit</b>	<b>\$16.00 per \$1,000</b>
<b>\$50,000 limit</b>	<b>\$26.00 per \$1,000</b>
<b>\$100,000 limit</b>	<b>\$35.00 per \$1,000</b>

Use **Landscaping Wind Coverage** Endorsement.

### **Libel/Slander Exclusion**

This endorsement deletes libel and slander from the definition of personal injury but maintains property and personal liability coverage for insureds that may have coverage elsewhere or where we would not be able to entertain an account otherwise. There is no premium adjustment for this endorsement.

Use **Libel/Slander Exclusion** Endorsement.

### **Limited Additional Coverages**

This endorsement caps Additional Living Expense, Fair Rental Value and Forced Evacuation at 30% of the policy limit. There is a \$15 premium credit for this endorsement.

Use **Limited Additional Coverages** Endorsement.

### **Limited Residence Premises Liability Extension**

This endorsement extends coverage for liability arising from business conducted, under certain conditions, at the covered person's residence. The premium charge is \$15 per Residence.

Use **Limited Residence Premises Liability Extension** Endorsement.

### **Loss Payable Clause**

This endorsement is used to list loss payees names and addresses. There is no premium adjustment for this endorsement.

Use **Loss Payable Clause** Endorsement.

### **Miscellaneous Club Assessment Coverage**

This endorsement allows a covered person to specify a club in which we will pay assessment charges. There is a premium charge of \$10 per \$1,000.

Use **Miscellaneous Club Assessment Coverage** Endorsement.

**Personal Injury Exclusion**

This endorsement eliminates Personal Injury from the Liability Coverage. Apply the following credits to the Liability Premium:

<b>Amount of Liability Coverage</b>	<b>Credit per Policy</b>
\$300,000	\$12
\$500,000	\$15
\$1,000,000	\$18

Use **Personal Injury Exclusion** Endorsement.

**Personal Liability Exclusion**

This endorsement eliminates Personal Liability coverage from the Homeowners policy. If this endorsement applies, the Liability Premium should not be added to the **Base Premium**.

Use **Personal Liability Exclusion** Endorsement.

**Premises Liability Limitation**

This endorsement limits liability coverage to personal injury and property damage caused by an occurrence at the residence shown on the Declarations Page. There is a \$5 premium credit for this endorsement.

Use **Premises Liability Limitation** Endorsement.

**Refrigerated Food Spoilage Exclusion**

This endorsement removes coverage for food spoilage as a result of temperature change caused by the interruption of the power supply. The premium credit is \$5 for this endorsement.

Use **Refrigerated Food Spoilage Exclusion** Endorsement.

**Residence Rental Theft Exclusion**

This endorsement restricts coverage on any loss by theft from any part of the residence rented to others. There is a premium credit of \$15 per Policy.

Use **Residence Rental Theft Exclusion** Endorsement.

**Sinkhole Collapse Coverage Extension**

This endorsement extends coverage to insure direct physical loss to the house or other permanent structure arising out of a sinkhole collapse. There is a premium charge of \$0.35 per \$1,000.

Use **Sinkhole Collapse Coverage Extension** Endorsement.



**Snowmobile Liability Extension**

This endorsement extends coverage for liability resulting from the use of a snowmobile. The Snowmobile liability limit must equal the personal liability limit selected.

Liability	Premium for Each Snowmobile
\$300,000	\$ 70
\$500,000	\$ 80
\$1,000,000	\$100

This coverage includes \$10,000 of Medical Payments to Others.

Use **Snowmobile Liability Extension** Endorsement.

**Thoroughbred Horse Liability Extension**

This endorsement extends \$1,000,000 of Liability coverage to thoroughbred horse owners. The premium charge is as follows:

Number of Horses	Charge
10 or fewer	\$120
11 to 20	\$200
Greater than 20	Refer to Company

**Use Thoroughbred Horse Liability Extension Endorsement.**

**Watercraft Liability Extension**

This endorsement extends coverage for liability resulting from ownership, use and maintenance of watercraft. The Watercraft liability limit must equal the personal liability limit selected. Watercrafts must be 55 feet or less.

Liability	Premium for Each Watercraft		
	Length of Vessel		
	26' to 34'11''	35' to 44'11''	45' to 55'
\$300,000	\$200	\$275	\$350
\$500,000	\$250	\$325	\$425
\$1,000,000	\$350	\$450	\$600

This coverage includes \$10,000 of Medical Payments to Others.

Use **Watercraft Liability Extension** Endorsement.

## **Watercraft Coverage**

### **Rating Steps**

1. Determine the Territory, based on the mooring location and/or area of primary usage.
2. Calculate the Watercraft Hull Base Premium, based on the Territory, Coastal Exposure and Type of Watercraft.
3. Apply the Hull Value Factor.
4. Apply the Deductible Factor.
5. Apply the Age of Watercraft Surcharge Factor.
6. Apply the Hurricane Deductible Factor, if applicable.
7. Add the Protection and Indemnity (P&I) Premium
8. Apply the Powerboat Speed Surcharge Factor.
9. Add the Occasional Charter Surcharge, if applicable.

### **Step 1: Territory**

The mooring/usage location of the watercraft determines the territory

Northeast	Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia
North Central	Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Wisconsin, Wyoming
South Central	Alabama, Arkansas, Louisiana, Mississippi, New Mexico, Texas
Southeast	Georgia, North Carolina, South Carolina
Florida Southeast	Broward, Dade, Monroe and Palm Beach Counties
Florida Remainder	All counties not in Florida Southeast
Western	Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, Washington

### **Step 2: Hull Base Premium**

Determine the Watercraft Physical Damage Base Premium based on the Territory (from Step 1), the Type of Watercraft (Power or Sail), and Coastal Exposure (Coastal/Tidal or Inland).

Territory	<b><u>POWER</u></b>		<b><u>SAIL</u></b>	
	<b>Coastal/Tidal*</b>	<b>Inland*</b>	<b>Coastal/Tidal*</b>	<b>Inland*</b>
Northeast	\$150	\$95	\$115	\$90
North Central	N/A	\$90	N/A	\$85
South Central	\$260	\$120	\$200	\$100
Southeast	\$190	\$120	\$165	\$95
Florida Remainder	\$225	\$125	\$165	\$115
Florida Southeast	\$250	\$160	\$230	\$130
Western	\$100	\$90	\$95	\$85

\***INLAND** base premiums should be used for watercraft moored and/or used primarily in the waters of the Chesapeake Bay (excluding the following counties: Accomack, Chesapeake City, Hampton City, Norfolk City, Northampton, Poquoson City, Portsmouth City, Virginia Beach City – these counties should use Coastal/Tidal Base Premiums) San Francisco Bay, Puget Sound and their tributaries.

**Step 3: Hull Value**

Determine the Hull Value Factor based on the Hull Value, the Type of Watercraft and the Coastal Exposure. Multiply the premium from Step 2 times the Hull Value Factor. Round to the nearest whole dollar.

Value of Watercraft	POWER	
	Coastal/Tidal	Inland
\$2,000	1.00	0.30
\$10,000	2.90	1.45
\$25,000	4.85	3.10
\$50,000	5.60	5.10
\$75,000	7.85	8.00
\$100,000	10.10	10.25
\$150,000	14.60	14.75
Each add'l \$1,000 above \$150,000	0.08 per \$1,000	0.06 per \$1,000

SAIL	
Coastal/Tidal	Inland
0.30	0.30
1.45	1.45
3.10	3.10
5.10	5.10
7.50	7.50
9.90	9.90
14.40	14.40
0.08 per \$1,000	0.06 per \$1,000

For values not listed, use interpolation. For example, a \$20,000 Power Watercraft (Coastal) would be =

The rate per \$1,000 between \$10,000 and \$25,000 is  $(4.85 - 2.90) / (25 - 10) = 0.13$

Value Factor for \$20,000 =  $2.90 [\text{Value Factor for } \$10,000] + 0.13 * 10 [\text{the additional rate per } \$1,000 \text{ for the } \$10,001 \text{ to } \$20,000 \text{ layer}] = 4.2$

**Step 4: Hull Deductible**

Multiply the premium from Step 3 times the deductible factor below. Round to the nearest whole dollar. The minimum deductible is \$250.

Deductible	Deductible Factor
1%	1.00
2%	0.90
3%	0.80

**Step 5: Age of Watercraft**

Determine the age of the Watercraft by subtracting the model year of the Watercraft from the current year. Use the age to determine the Age of Watercraft Surcharge below. Multiply the premium from Step 4 times the Age of Watercraft Surcharge Factor. Round to the nearest whole dollar.

Watercraft Age	Coastal	Inland
0 – 6 Years	1.00	1.00
7 Years	1.05	1.00
8 Years	1.10	1.00
9 Years	1.15	1.00
10 Years	1.25	1.00
11 Years	1.35	1.05
12 Years	1.45	1.15
13 Years	1.60	1.25
14 Years	1.75	1.35
15 + Years	1.90	1.50

**Step 6: Hurricane Deductible**

For watercrafts moored in Atlantic and Gulf Coastal waters between Maine and Texas, a special 25% hurricane deductible applies. There is a 20% hurricane deductible credit for these risks. Multiply the premium from Step 5 times 0.80. Round to the nearest dollar.

**Step 7: Protection and Indemnity (P&I)**

Add the Protection and Indemnity Base Premium to the premium from Step 6.

**Coastal/Tidal\***

<b>P&amp;I Limit</b>	<b>Less than 26'</b>	<b>26' to 30'</b>
\$300,000	\$135	\$150
\$500,000	\$160	\$190
\$1,000,000	\$225	\$270

**Inland\***

<b>P&amp;I Limit</b>	<b>Less than 26'</b>	<b>26' to 30'</b>
\$300,000	\$70	\$80
\$500,000	\$80	\$95
\$1,000,000	\$115	\$135

\***INLAND** base premiums should be used for watercraft moored and/or used primarily in the waters of the Chesapeake Bay (excluding the following counties: Accomack, Chesapeake City, Hampton City, Norfolk City, Northampton, Poquoson City, Portsmouth City, Virginia Beach City – these counties should use Coastal/Tidal Base Premiums) San Francisco Bay, Puget Sound and their tributaries.

**Step 8: Powerboat Speed Surcharge**

Apply following surcharge. Multiply the total property damage and/or Liability premium(s) from Step 7 times the Powerboat Speed Surcharge Factor below.

<b>If watercraft can exceed</b>	<b>Surcharge Factor</b>
Can Exceed 40 MPH	1.30
Can Exceed 20 MPH, but not 40 MPH	1.05
Can Not Exceed 20 MPH	1.00

**Step 9: Occasional Charter Surcharge**

If the watercraft is used for an occasional charter, add \$50 per week. Count any partial week as one week.

Use **Watercraft Coverage** Endorsement.

**AIG PRIVATE CLIENT GROUP  
TENANTS/CONDOMINIUM/COOPERATIVE RATING PAGES  
STATE OF ARKANSAS**

**BASE PREMIUM**

The calculation of the **Base Premium** is described in the General Rules.

**PROTECTION CLASS/CONSTRUCTION FACTORS**

Protection Class	Construction Type		
	Frame/Veneer	Masonry	Fire Resistive
1 – 6	1.00	0.90	0.80
7, 8	1.30	1.17	1.04
9	1.60	1.44	1.28
10	2.00	1.70	1.50

**Masonry**

The condominium, cooperative or rental unit must have exterior walls built of solid masonry or other fire resistive materials.

**Fire Resistive**

The condominium, cooperative or rental unit must have exterior walls, floors, roof cover and roof structure built of solid masonry or other fire resistive materials with a rating of two hours or more.

**WIND OR HAIL DEDUCTIBLES**

Wind or Hail Deductibles of 0.5%, 1% and 2% are available for a condominium, cooperative or rental unit. The deductible will apply to the total direct loss for contents coverages.

If a Wind or Hail Deductible is requested, the following credit will apply:

<b>Deductible</b>	<b>Credit</b>
0.5%	1%
1.0%	2%
2.0%	3%

In the event of a wind or hail loss, the greater of the standard deductible or the Wind or Hail Deductible will apply.

Use **Wind or Hail Percentage Deductible** Endorsement.

**PERCENTAGE ADJUSTMENTS**

To apply percentage credits and surcharges:

Add together all credits and surcharges. The resulting percentage is the net credit or net surcharge to be applied to the premium. **The following discounts and surcharges are applicable to all houses excluding those in the course of construction. For houses in the course of construction, please refer to the company.**

~~Section I applies to all houses excluding those in the course of construction. Section II applies only to houses in the course of construction.~~

## **Section I. All Houses Excluding Course of Construction**

### **Claim Record Adjustment**

The premium will be adjusted according to the schedule shown below:

Consecutive Years Insured with AIG PCG	Basic Premium Adjustment				
	Number of Qualified Paid Claims in the Last 3 Years				
	0	1	2	3	4+
0 – 2	0%	0%	+30%	+55%	+85%
3 – 5	-5%	-5%	+30%	+55%	+85%
6 – 8	-10%	-10%	+25%	+55%	+85%
9 +	-15%	-15%	+10%	+45%	+85%

*Consecutive Years with AIG Private Client Group* – the years with AIG Private Client Group are determined by the number of consecutive years (ending with the current renewal date) that the policyholder or spouse has had an AIG Private Client Group policy covering their primary dwelling or contents. Although the number of consecutive years is based on the policy on the primary dwelling or contents, it will also be used for any secondary residence insured by the AIG Private Client Group.

If the policy is reinstated, the number of consecutive years with the AIG Private Client Group applying at the time of cancellation or expiration will be used provided the reinstatement occurs within three years.

*Number of Qualified Paid Claims in the Last 3 Years* – the number of claims is determined by the number of qualified paid claims the policyholder has had in the last 3 years (ending 3 months prior to the current renewal effective date). A qualified claim is considered to be any non-catastrophe or non-weather related claim that resulted in a net paid loss during this 3-year period. Losses that only have payments under Medical Payments coverage are also NOT considered to be qualified claims.

The number of qualified Property claims may be reduced or eliminated with the selection of a higher deductible. All claims that would not have applied if this higher deductible option had been in force at the time of the claim are removed from the total qualified claim count.

The number of qualified Liability claims may be reduced or eliminated with the elimination of the exposure that caused the claim.

### **Burglar Alarm Credit**

There is a 5% credit if a condominium, cooperative or rental unit has a direct reporting or central station burglar alarm system that is maintained and in use.

### **Fire Alarm Credit**

There is a 5% credit if a condominium, cooperative or rental unit has a direct reporting or central station fire alarm system that is maintained and in use.

### **Excess Flood Policy Credit**

There is a 10% credit if the insured has also purchased an AIG Private Client Group Excess Flood policy whose premium is at least \$2,000, which covers the same insured residence. The credit may be reduced if a premium reversal was to occur.

### **Private Collections Policy Credit**

There is a 5% credit for an insured residence which houses items insured under an AIG Private Collections policy whose premium is at least \$1,000. The residence can be either primary or secondary. The credit may be reduced if a premium reversal was to occur.

### **Building Protection Credit**

There is a 3% credit for a condominium, cooperative, or rental unit if the building has a 24-hour doorman.

In addition, the following credits may also apply, but only if the building has a 24-hour doorman:

- The elevators are either manned or locked and coded 1%
- The lobby has a functioning surveillance camera 1%

### **Guard Gated Community Credit**

There is a 5% credit for a condominium, cooperative or rental unit located in a gated community meeting all of the following criteria:

- vehicular and pedestrian access is limited to entrances controlled by guards or locked gates at all times;
- proper identification is required to enter; and
- visitors are announced.

### **Residential Sprinkler System Credit**

There is a 5% credit for a condominium, cooperative or rental unit if the living areas are protected by a properly maintained sprinkler system.

### **Off-Premises Theft Exclusion Credit**

The Base Premium includes coverage for loss by theft to personal property away from the residence premises. This endorsement deletes this coverage. There is a 2% credit if this coverage is deleted.

Use **Off-Premises Theft Exclusion** Endorsement.

### **Rented to Others Surcharge**

There is a 25% surcharge while the condominium, cooperative or rental unit is rented to others by the insured.

### **Seasonal/Secondary House Surcharge**

There is a 10% surcharge on any house maintained as a seasonal or secondary house that is unoccupied for more than 60 days in any given policy term, if and only if there is a primary residence also insured on the same policy. The surcharge is 30% if the seasonal or secondary house is 'unsupported', or if there is no primary residence on the policy.

The 10% surcharge does not apply if a full-time caretaker is present at the seasonal or secondary house during the owner's absence, and the 'unsupported' is reduced to 20%. The surcharge is reduced to 5% (25% if unsupported) if a fulltime caretaker lives on the grounds, but not in the house itself, or to 8% (28% if unsupported) if a caretaker (or equivalent service with an established maintenance company) checks on the house at least once per week during the unoccupied time period.

### **Vacancy Surcharge**

There is a 25% surcharge for the condominium, cooperative or rental unit that is vacant more than 30 days.

### **Section II- Course of Construction Only**

### **Course of Construction Adjustment Table**

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<b>Risk Characteristic:</b>	<b>+/-</b>
<b>PC 9: Fire Department Response time &lt; 10 minutes year round</b> The fire department is located within 5 miles away with access routes that is clear and allow response time within 10 minutes year round.	<b>+20%</b>
<b>PC 10: Fire Department Response time between 10 and 20 minutes year round</b> The fire department is located between 5 and 10 miles away with access routes that is clear and allow response within 20 minutes year round or the fire department is closer but with poor access routes.	<b>+40%</b>
<b>Extreme PC 10: Fire Department Response time &gt; 20 minutes</b> The fire department is located over 10 miles away with access routes that are clear and allow response year round or the fire department is closer but with poor access routes.	<b>+60%</b>
<b>Superior Protection Credits:</b>	
<b>Full Perimeter Fence</b> Full site perimeter fence with entrance gated and locked during the hours that construction operations are not in progress	<b>-5%</b>
<b>Gated Driveway</b> Entranceway to site gated and locked during the hours that construction operations are not in progress	<b>-2.5%</b>
<b>Exterior Lighting</b> The site is fitted with exterior lights operating during all non-daylight hours	<b>-2.5%</b>
<b>Watchman / Security Guard or 24 Hour Occupancy</b> The guard must be onsite during the hours that construction operations are not in progress thus ensuring around the clock occupancy; or the insured must live in the home during the project.	<b>-15%</b>
<b>Project Characteristics:</b>	
<b>Period of Works &gt; 12 months</b> The planned period of the works exceeds 12 months and values will not be stepped.	<b>+15%</b>
<b>Annual Stepping of RG</b> The project will last greater than 12 months and values will be stepped on an annual basis.	<b>+20%</b>
<b>Semi-Annual Stepping of RG</b> The project will last greater than 12 months and values will be stepped on a 6 months basis.	<b>+30%</b>
<b>Quarterly Stepping of RG</b> The project will last greater than 12 months and values will be stepped on an annual basis.	<b>+50%</b>
<b>Insured has Waived Subrogation Rights by Contract</b> The terms of the contract between client and contractor waive the client's subrogation rights against the contractor	<b>+50%</b>

#### Automatic Water Shut-Off Valve Credit

There is a credit if a condominium, cooperative or rental unit has an automatic water shut-off valve that actively monitors and protects all residential plumbing in the main residence. If a leak occurs, this device must:

- close and shut off the master plumbing valve; or 3%
- close and shut off the mater plumbing valve and activate the central station or direct alarm system 5%

## LIABILITY

### Liability

The **Base Premium** does not include a charge for personal liability. This coverage may be purchased for the charges below. This coverage will be rated in the state where the Primary residence is located regardless of the location of the additional residence(s).

Amount of Liability Coverage	Liability Premium	
	Primary Location	Each Additional Location



	Is coverage provided for building and/or contents?		Is coverage provided for building and/or contents?	
	Yes	No	Yes	No
300,000	\$40	\$65	\$15	\$30
500,000	\$50	\$75	\$16	\$31
1,000,000	\$60	\$85	\$18	\$33

Amount of Liability Coverage	Liability Premium
	Course of Construction*
300,000	\$100
500,000	\$200
1,000,000	\$250

\*For exposures in the Course of Construction, an additional liability charge is applicable if contractors and/or subcontractors do not maintain limits of liability equal to or greater than the total insured value of the project. The additional charge is \$1,500 per million with respect to the 'gap' in liability coverage, and would be charged pro-rata when necessary. For example, if the total insured value of the project is \$5M, and the contractors liability policy limit is \$2.5M, an additional charge of  $\$1,500 * (\$5M - \$2.5M) = \$3,750$  will be applicable.

#### **Medical Payment to Others**

The Liability Premium includes \$10,000 of Medical Payments to Others.

### **DOLLAR ADJUSTMENTS**

To apply dollar adjustments:

Subtract any applicable credits and add any applicable surcharges to the premium.

#### **Additional Insured**

This endorsement amends coverage to include an additional person or organization on a specific location. There is no premium charge for this endorsement.

Use **Additional Insured** Endorsement.

#### **Additional Interests**

This endorsement provides coverage for any additional mortgagee(s) not listed on the Declarations Page that have an interest in the residence. There is no premium charge for this endorsement.

Use **Additional Interests** Endorsement.

#### **Additions and Alterations Extended Replacement Cost**

This endorsement extends replacement cost coverage on contents up to 150% of the coverage limit listed in the Declaration Page. The premium charge is \$10 for this endorsement.

Use **Additions and Alterations Extended Replacement Cost** Endorsement.

#### **Additions and Alterations Loss Limitation**

This endorsement restricts coverage to a specific sum per occurrence on a claim for loss or damage to additions and/or alterations. There is no premium adjustment for this endorsement.

Use **Additions and Alterations Loss Limitation** Endorsement.

#### **Business Property Extension**

This endorsement extends coverage up to a specified limit amount for a covered loss to business property. The premium charge is \$25 per \$2,500.

Use **Business Property Extension** Endorsement.

#### **Business Pursuits**

This endorsement extends liability coverage to specific business pursuits of the insured. The Business Pursuits liability limit must equal the personal liability limit selected. The premium charge is as follows:

Amount of Liability Coverage	Charge per Insured Person
\$300,000	\$25
\$500,000	\$30
\$1,000,000	\$35

Use **Business Pursuits** Endorsement.

#### **Deductible Waiver for Large Losses**

There is a surcharge when the option to waive the standard deductible for covered losses in excess of \$50,000 is selected. This endorsement can be purchased with deductibles up to \$25,000. This waiver of deductible does not apply to : special deductibles for wind and hail, or earthquake.

1. Special deductibles including but not limited to wind and hail, hurricane, named storm or earthquake, or
2. Separate coverage deductibles contained within the Equipment Breakdown or Fraud Safeguard endorsements.

The premium charge is as follows:

Coverage A Limit / Deductible ->	\$250	\$500	\$1,000	\$2,500	\$5,000	\$10,000	\$25,000
0 - \$350K	\$1	\$1	\$2	\$5	\$10	\$20	\$50
\$350K - \$500K	\$1	\$2	\$4	\$10	\$20	\$40	\$100
\$500K - \$750K	\$2	\$3	\$6	\$15	\$30	\$60	\$150
\$750K - \$1M	\$3	\$5	\$10	\$25	\$50	\$100	\$250
\$1M - \$1.5M	\$4	\$8	\$15	\$38	\$75	\$150	\$375
\$1.5M - \$2M	\$5	\$10	\$20	\$50	\$100	\$200	\$500
\$2M - \$3M	\$6	\$11	\$22	\$55	\$110	\$220	\$550
\$3M - \$5M	\$6	\$12	\$24	\$60	\$120	\$240	\$600
\$5M - \$7.5M	\$7	\$13	\$26	\$65	\$130	\$260	\$650
\$7.5M - \$10M	\$8	\$16	\$32	\$80	\$160	\$320	\$800
\$10M +	\$10	\$20	\$40	\$100	\$200	\$400	\$1,000

Use **Deductible Waiver for Large Losses** Endorsement.

#### **Earthquake Coverage Extension – Loss Assessment**

This endorsement extends coverage under loss assessment for the peril of earthquakes. The premium charge is \$10 per \$1,000 **of coverage up to \$100,000**

Use **Earthquake Coverage Extension for Loss Assessment** Endorsement.

#### **Equipment Breakdown Coverage**

**This endorsement provides equipment breakdown insurance to cover equipment attached to and made part of the dwelling or other structure which would otherwise be excluded. A premium charge is required for each location where coverage applies.**

**The Equipment Breakdown for Homeowners premium depends on three variables:**

- a.) The value identified under Coverage A of the house, or Coverage C if a condominium, cooperative or rental unit;
- b.) The deductible; c.) The EB for Homeowners limit factor

**a.) The building value identified under Coverage A of the house, or Coverage C if a condominium, cooperative or rental unit, Real Property Value, determines the tiered base rate:**

**Table A Base Rates**

**Base Rates are tiered as follows:**

Real Property Value			Base Rate
	<	\$350,000	\$32
\$350,000	-	\$500,000	\$49
\$500,000	-	\$750,000	\$61
\$750,000	-	\$1,000,000	\$74
\$1,000,000	-	\$1,500,000	\$92
\$1,500,000	-	\$2,000,000	\$111
\$2,000,000	-	\$3,000,000	\$137
\$3,000,000	-	\$5,000,000	\$181
\$5,000,000	-	\$7,500,000	\$237
\$7,500,000	-	\$10,000,000	\$291
\$10,000,000	-	\$15,000,000	\$359
\$15,000,000	-	\$20,000,000	\$441
\$20,000,000	-	\$25,000,000	\$515

>	\$25,000,000	Refer to company
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**b.) The deductible on the Equipment Breakdown endorsement**

The base rates contemplate a deductible of \$500. If the Equipment Breakdown endorsement uses a higher deductible then select the applicable deductible factor from Table B. For intermediate values, use the next lower deductible entry.

Coverage A (or Coverage C if Condo, Coop or Rental Unit) Value Range	Table B Deductibles			
	Deductible Level			
	\$500	\$1,000	\$2,500	\$5,000
0-\$350,000	1.00	0.88	0.61	0.58
\$350,000-\$500,000	1.00	0.88	0.63	0.59
\$500,000-\$750,000	1.00	0.89	0.66	0.60
\$750,000-\$1,000,000	1.00	0.89	0.67	0.61
\$1,000,000-\$1,500,000	1.00	0.90	0.71	0.61
\$1,500,000-\$2,000,000	1.00	0.91	0.73	0.61
\$2,000,000-\$3,000,000	1.00	0.92	0.74	0.62
\$3,000,000-\$5,000,000	1.00	0.92	0.76	0.63
\$5,000,000-\$7,500,000	1.00	0.93	0.80	0.64
\$7,500,000-\$10,000,000	1.00	0.95	0.83	0.64
\$10,000,000-\$15,000,000	1.00	0.95	0.85	0.65
\$15,000,000-\$20,000,000	1.00	0.96	0.85	0.66
\$20,000,000-\$25,000,000	1.00	0.96	0.86	0.66
> \$25,000,000	Refer to company			

Multiply the base rate from step 5.a by the deductible factor.

**c.) The EB for Homeowners Limit Factor**

i.) Determine the limit of insurance.

ii.) Multiply the EB for Homeowners limit factor, from Table C, by the premium determined in 5.b above.

Limit	Table C EB for Homeowners Limit Factors				
	\$50,000	\$100,000	\$150,000	\$200,000	\$250,000
Factor	1.000	1.040	1.046	1.051	1.055

The resultant product is the Homeowners Equipment Breakdown endorsement premium.

**Use Equipment Breakdown Coverage Endorsement.**

**Exclusion of Specified Affixed Fine Art and Unique Items**

This endorsement removes coverage for specifically named Fine Art and Unique Items from the Homeowners Policy. There is a \$5 premium credit for this endorsement.

Use **Exclusion of Specified Affixed Fine Art and Unique Items** Endorsement.

### **Fine Arts Exclusion**

This endorsement removes coverage for Fine Arts from the Homeowners Policy. There is a \$5 premium credit for this endorsement.

Use **Fine Arts Exclusion** Endorsement.

### **Flood Coverage**

Primary flood coverage will be provided if residence meets company underwriting guidelines. This endorsement extends coverage for flood, up to a limit of \$100,000, subject to the terms and conditions noted on the Flood Coverage Endorsement. The rates do not vary by territory.

<b><u>Contents (Coverage C) Limit / Deductible -&gt;</u></b>	<b><u>\$500</u></b>	<b><u>\$1,000</u></b>	<b><u>\$2,500</u></b>	<b><u>\$5,000</u></b>
<b><u>\$0K &lt; \$100K</u></b>	<b><u>107</u></b>	<b><u>92</u></b>	<b><u>74</u></b>	<b><u>59</u></b>
<b><u>\$100K &lt; \$200K</u></b>	<b><u>171</u></b>	<b><u>148</u></b>	<b><u>118</u></b>	<b><u>96</u></b>
<b><u>\$200K &lt; \$350K</u></b>	<b><u>195</u></b>	<b><u>168</u></b>	<b><u>134</u></b>	<b><u>109</u></b>
<b><u>\$350K &lt; \$500K</u></b>	<b><u>230</u></b>	<b><u>199</u></b>	<b><u>159</u></b>	<b><u>129</u></b>
<b><u>\$500K &lt; \$750K</u></b>	<b><u>254</u></b>	<b><u>218</u></b>	<b><u>175</u></b>	<b><u>142</u></b>
<b><u>\$750K &lt; \$1M</u></b>	<b><u>279</u></b>	<b><u>240</u></b>	<b><u>192</u></b>	<b><u>156</u></b>
<b><u>\$1M &lt; \$1.5M</u></b>	<b><u>306</u></b>	<b><u>264</u></b>	<b><u>212</u></b>	<b><u>172</u></b>
<b><u>\$1.5M &lt; \$2M</u></b>	<b><u>337</u></b>	<b><u>291</u></b>	<b><u>233</u></b>	<b><u>189</u></b>
<b><u>\$2M &lt; \$3M</u></b>	<b><u>371</u></b>	<b><u>320</u></b>	<b><u>256</u></b>	<b><u>208</u></b>
<b><u>\$3M - \$5M</u></b>	<b><u>408</u></b>	<b><u>352</u></b>	<b><u>281</u></b>	<b><u>229</u></b>
<b><u>\$5M &lt; \$7.5M</u></b>	<b><u>448</u></b>	<b><u>387</u></b>	<b><u>309</u></b>	<b><u>251</u></b>
<b><u>\$7.5M &lt; \$10M</u></b>	<b><u>494</u></b>	<b><u>426</u></b>	<b><u>340</u></b>	<b><u>276</u></b>
<b><u>\$10M +</u></b>	<b><u>543</u></b>	<b><u>468</u></b>	<b><u>374</u></b>	<b><u>305</u></b>

<b><u>Contents (Coverage C) Limit / Deductible -&gt;</u></b>	<b><u>\$10,000</u></b>	<b><u>\$25,000</u></b>	<b><u>\$50,000</u></b>	<b><u>\$100,000</u></b>
<b><u>\$0K &lt; \$100K</u></b>	<b><u>48</u></b>	<b><u>42</u></b>	<b><u>36</u></b>	<b><u>33</u></b>
<b><u>\$100K &lt; \$200K</u></b>	<b><u>76</u></b>	<b><u>66</u></b>	<b><u>59</u></b>	<b><u>52</u></b>
<b><u>\$200K &lt; \$350K</u></b>	<b><u>86</u></b>	<b><u>75</u></b>	<b><u>67</u></b>	<b><u>59</u></b>
<b><u>\$350K &lt; \$500K</u></b>	<b><u>101</u></b>	<b><u>90</u></b>	<b><u>79</u></b>	<b><u>69</u></b>
<b><u>\$500K &lt; \$750K</u></b>	<b><u>112</u></b>	<b><u>99</u></b>	<b><u>87</u></b>	<b><u>77</u></b>
<b><u>\$750K &lt; \$1M</u></b>	<b><u>123</u></b>	<b><u>108</u></b>	<b><u>96</u></b>	<b><u>84</u></b>
<b><u>\$1M &lt; \$1.5M</u></b>	<b><u>135</u></b>	<b><u>119</u></b>	<b><u>106</u></b>	<b><u>92</u></b>
<b><u>\$1.5M &lt; \$2M</u></b>	<b><u>148</u></b>	<b><u>131</u></b>	<b><u>116</u></b>	<b><u>102</u></b>
<b><u>\$2M &lt; \$3M</u></b>	<b><u>163</u></b>	<b><u>144</u></b>	<b><u>128</u></b>	<b><u>111</u></b>
<b><u>\$3M - \$5M</u></b>	<b><u>179</u></b>	<b><u>158</u></b>	<b><u>141</u></b>	<b><u>123</u></b>
<b><u>\$5M &lt; \$7.5M</u></b>	<b><u>197</u></b>	<b><u>174</u></b>	<b><u>155</u></b>	<b><u>136</u></b>
<b><u>\$7.5M &lt; \$10M</u></b>	<b><u>217</u></b>	<b><u>192</u></b>	<b><u>171</u></b>	<b><u>149</u></b>
<b><u>\$10M +</u></b>	<b><u>238</u></b>	<b><u>211</u></b>	<b><u>188</u></b>	<b><u>164</u></b>

Use **Flood Coverage** Endorsement.

### **AIG Fraud SafeGuard Coverage**

This endorsement extends coverage for fraud, embezzlement, or forgery, ATM robbery or stolen identity event. This endorsement can be purchased with deductibles up to \$5,000. The premium charge is as follows:

Fraud, Embezzlement or Forgery Limit	Stolen ID Event Limit	ATM Robbery Limit	Fraud, Embezzlement or Forgery Deductible				
			\$250	\$500	\$1,000	\$2,500	\$5,000
\$5,000	\$5,000	\$2,500	\$80	\$74	\$66	\$53	\$43
\$10,000	\$10,000	\$2,500	\$105	\$98	\$89	\$73	\$59
\$15,000	\$15,000	\$2,500	\$121	\$114	\$104	\$87	\$72
\$20,000	\$20,000	\$2,500	\$133	\$126	\$116	\$98	\$82
\$25,000	\$25,000	\$2,500	\$143	\$136	\$126	\$107	\$90
\$30,000	\$30,000	\$2,500	\$151	\$144	\$134	\$115	\$97
\$35,000	\$35,000	\$2,500	\$158	\$151	\$140	\$121	\$103
\$40,000	\$40,000	\$2,500	\$165	\$157	\$146	\$127	\$109
\$45,000	\$45,000	\$2,500	\$170	\$163	\$152	\$132	\$114
\$50,000	\$50,000	\$2,500	\$175	\$167	\$157	\$137	\$118
\$55,000	\$55,000	\$2,500	\$180	\$172	\$161	\$142	\$123
\$60,000	\$60,000	\$2,500	\$184	\$176	\$165	\$145	\$126
\$65,000	\$65,000	\$2,500	\$188	\$180	\$169	\$149	\$130
\$70,000	\$70,000	\$2,500	\$191	\$183	\$173	\$153	\$133
\$75,000	\$75,000	\$2,500	\$194	\$187	\$176	\$156	\$136
\$80,000	\$80,000	\$2,500	\$197	\$190	\$179	\$159	\$139
\$85,000	\$85,000	\$2,500	\$200	\$193	\$182	\$162	\$142
\$90,000	\$90,000	\$2,500	\$203	\$195	\$184	\$164	\$145
\$95,000	\$95,000	\$2,500	\$206	\$198	\$187	\$167	\$147
\$100,000	\$100,000	\$2,500	\$208	\$200	\$190	\$169	\$150

Use **AIG Fraud SafeGuard Coverage Endorsement**

#### **Fungi Liability Extension**

This endorsement extends coverage up to a specified limit amount for liability arising from ensuing fungi. The premium charge is \$5 per policy.

Use **Fungi Liability Extension Endorsement**.

#### **AIG Household SafeGuard**

This endorsement extends coverage for kidnapping, child abduction, stalking, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies. The premium charge is \$95 per policy.

Use **AIG Household SafeGuard Endorsement**.

### **AIG Household SafeGuard (Stalking Excluded)**

This endorsement extends coverage for kidnapping, child abduction, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies. The premium charge is \$95 per policy.

Use **AIG Household SafeGuard (Stalking Excluded)** Endorsement.

### **Identity Fraud Expense Coverage**

This endorsement defines coverage for expenses incurred by a covered person as a direct result of identity fraud commenced during the policy period. The premium charge is \$25 per \$10,000.

Use **Identity Fraud Expense Coverage** Endorsement.

### **Increased Ensuing Fungi, ~~Wet or Dry Rot,~~ or Bacteria Coverage**

Ensuing fungi remediation expense coverage is included up to \$10,000 in the base policy. The amount of coverage can be increased by either a flat dollar amount or a percentage of house coverage (or contents coverage if condo, coop or rental unit). The additional premium is shown below:

<b><u>Amount of Coverage</u></b>	<b><u>Premium</u></b>
<b><u>\$25,000</u></b>	<b><u>\$120</u></b>

available at For limits up to 100% of the House Coverage (contents, other permanent structures sub-limits apply) or 100% of Contents Coverage if condo, coop or rental unit.—Aa separate premium is developed for these coverages by applying the following factor to policy base premium:

<b><u>Percentage of House Coverage (or Contents Coverage if Condo, Coop or Rental Unit)</u></b>	<b><u>Factor</u></b>	
	<b><u>Houses</u></b>	<b><u>Condos, Coops, and Renters</u></b>
10%	20%	10%
25%	30%	15%
50%	35%	17.5%
100%	60%	30%

Use **Increased Ensuing Fungi ~~Wet or Dry Rot,~~ or Bacteria Coverage** Endorsement.

### **Increased Limit on Personal Property in Other Residences**

The policy provides coverage up to 10% of the highest amount of contents coverage of any single location listed on the policy, for each occurrence, for personal property located at a residence that does not have contents coverage in this policy. The premium charge to increase this limit is \$6.50 per \$1,000.

Use **Increased Limit on Personal Property in Other Residences** Endorsement.

### **Increased Limits ~~Incidental~~ Business Property**

This endorsement extends coverage up to a specified limit for a covered loss to property used for an incidental business. The premium charge is \$25 per \$2,500.

Use **Increased Limits Incidental Business Property** Endorsement.

### **Increased Loss Assessment Coverage**

The policy provides \$50,000 in loss assessment coverage. This coverage can be increased up to an additional \$50,000, to a total of \$100,000. The premium charge is \$2 per \$1,000.

Use **Increased Loss Assessment Coverage** Endorsement.

### **Increased Threshold of Incidental Business**

The Homeowners Policy includes a definition for “incidental business”. This endorsement amends the definition of “incidental business” by increasing the gross annual revenues earned for business and farming for the following premium charge:

Gross Annual Revenues Earned		Premium Charge
Business	Farming	
\$25,000	\$50,000	\$50
\$50,000	\$100,000	\$100

Use **Increased Threshold of Incidental Business** Endorsement.

### **Inflation Guard**

This endorsement increases limits of the house, contents, and other permanent structures. There is no premium charge for this endorsement.

Use **Inflation Guard** Endorsement.

### **Landscaping Coverage Increased Limits**

The **Base Premium** includes coverage for landscaping, up to 5% of House or Contents coverage, whichever is greater. This coverage is provided for specifically named perils and includes a \$5,000 limit on any one tree, shrub or plant. The coverage amount may be increased for the following premium charge.

Tree, Shrub or Plant Limit	Aggregate Landscaping Coverage	
	Up to 5%	Above 5%
\$5,000 limit	Included	\$3.00 per \$1,000
\$10,000 limit	\$2.00 per \$1,000	\$4.00 per \$1,000
<b>\$25,000 limit</b>	<b>\$4.00 per \$1,000</b>	<b>\$8.00 per \$1,000</b>
<b>\$50,000 limit</b>	<b>\$7.00 per \$1,000</b>	<b>\$13.00 per \$1,000</b>
<b>\$100,000 limit</b>	<b>\$12.00 per \$1,000</b>	<b>\$18.00 per \$1,000</b>

Use **Landscaping Coverage Increased Limits** Endorsement.

### **Landscaping Limitation**

The **Base Premium** includes coverage for landscaping, up to 5% of House or Contents coverage, whichever is greater. This endorsement removes the perils of fire, lightning and explosion from specifically named perils covered. It includes a \$5,000 limit on any one tree, shrub or plant. There is a \$5 premium credit for this endorsement.

Use **Landscaping Limitation** Endorsement.



### **Landscaping Wind Coverage**

The **Base Premium** does not include landscaping coverage for losses caused by wind. Coverage against this peril may be added for the following premium charge. The percentage of Landscaping Wind Coverage must equal the percentage selected for Landscaping Coverage.

<b>Tree, Shrub or Plant Limit</b>	<b>Premium Charge</b>
\$5,000 limit	\$5.00 per \$1,000
\$10,000 limit	\$8.00 per \$1,000
<b>\$25,000 limit</b>	<b>\$16.00 per \$1,000</b>
<b>\$50,000 limit</b>	<b>\$26.00 per \$1,000</b>
<b>\$100,000 limit</b>	<b>\$35.00 per \$1,000</b>

Use **Landscaping Wind Coverage** Endorsement.

### **Libel/Slander Exclusion**

This endorsement deletes libel and slander from the definition of personal injury but maintains property and personal liability coverage for insureds that may have coverage elsewhere or where we would not be able to entertain an account otherwise. There is no premium adjustment for this endorsement.

Use **Libel/Slander Exclusion** Endorsement.

### **Limited Additional Coverages**

This endorsement caps Additional Living Expense, Fair Rental Value and Forced Evacuation at 30% of the policy limit. There is a \$15 premium credit for this endorsement.

Use **Limited Additional Coverages** Endorsement.

### **Limited Residence Premises Liability Extension**

This endorsement extends coverage for liability arising from business conducted, under certain conditions, at the covered person's residence. The premium charge is \$15 per Residence.

Use **Limited Residence Premises Liability Extension** Endorsement.

### **Loss Payable Clause**

This endorsement is used to list loss payees names and addresses. There is no premium adjustment for this endorsement.

Use **Loss Payable Clause** Endorsement.

### **Miscellaneous Club Assessment Coverage**

This endorsement allows a covered person to specify a club in which we will pay assessment charges. There is a premium charge of \$10 per \$1,000.

Use **Miscellaneous Club Assessment Coverage** Endorsement.

### **Other Permanent Structures – Condominium & Cooperative Owner Coverage**

For any residence listed on the Declarations Page that is a condominium or cooperative unit, other permanent structures includes additions, alterations, items of real property, installations or fixtures, including other permanent structures paid for or acquired at the insured's expense along with the residence. There is a premium charge of \$2.75 per \$1,000 of OPS coverage.

### **Use Other Permanent Structures – Condominium & Cooperative Owner Endorsement**

#### **Personal Injury Exclusion**

This endorsement eliminates Personal Injury from the Liability Coverage. Apply the following credits to the Liability Premium:

<b>Amount of Liability Coverage</b>	<b>Credit per Policy</b>
\$300,000	\$12
\$500,000	\$15
\$1,000,000	\$18

Use **Personal Injury Exclusion** Endorsement.

#### **Personal Liability Exclusion**

This endorsement eliminates Personal Liability coverage from the Homeowners policy. If this endorsement applies, the Liability Premium should not be added to the **Base Premium**.

Use **Personal Liability Exclusion** Endorsement.

#### **Premises Liability Limitation**

This endorsement limits liability coverage to personal injury and property damage caused by an occurrence at the residence shown on the Declarations Page. There is a \$5 premium credit for this endorsement.

Use **Premises Liability Limitation** Endorsement.

#### **Refrigerated Food Spoilage Exclusion**

This endorsement removes coverage for food spoilage as a result of temperature change caused by the interruption of the power supply. The premium credit is \$5 for this endorsement.

Use **Refrigerated Food Spoilage Exclusion** Endorsement.

#### **Residence Rental Theft Exclusion**

This endorsement restricts coverage on any loss by theft from any part of the residence rented to others. There is a premium credit of \$15 per Policy.

Use **Residence Rental Theft Exclusion** Endorsement.

#### **Snowmobile Liability Extension**

This endorsement extends coverage for liability resulting from the use of a snowmobile. The Snowmobile liability limit must equal the personal liability limit selected.

Liability	Premium for Each Snowmobile
\$300,000	\$ 70
\$500,000	\$ 80
\$1,000,000	\$100

This coverage includes \$10,000 of Medical Payments to Others.

Use **Snowmobile Liability Extension** Endorsement.

### **Thoroughbred Horse Liability Extension**

This endorsement extends \$1,000,000 of Liability coverage to thoroughbred horse owners. The premium charge is as follows:

Number of Horses	Charge
10 or fewer	\$120
11 to 20	\$200
Greater than 20	Refer to Company

Use **Thoroughbred Horse Liability Extension** Endorsement.

### **Watercraft Liability Extension**

This endorsement extends coverage for liability resulting from ownership, use and maintenance of watercraft. The Watercraft liability limit must equal the personal liability limit selected. Watercrafts must be 55 feet or less.

Liability	Premium for Each Watercraft		
	Length of Vessel		
	26' to 34' 11''	35' to 44' 11''	45' to 55'
\$300,000	\$200	\$275	\$350
\$500,000	\$250	\$325	\$425
\$1,000,000	\$350	\$450	\$600

This coverage includes \$10,000 of Medical Payments to Others.

Use **Watercraft Liability Extension** Endorsement.

### **Watercraft Coverage**

#### **Rating Steps**

1. Determine the Territory, based on the mooring location and/or area of primary usage.
2. Calculate the Watercraft Hull Base Premium, based on the Territory, Coastal Exposure and Type of Watercraft.
3. Apply the Hull Value Factor.
4. Apply the Deductible Factor.
5. Apply the Age of Watercraft Surcharge Factor.
6. Apply the Hurricane Deductible Factor, if applicable.
7. Add the Protection and Indemnity (P&I) Premium
8. Apply the Powerboat Speed Surcharge Factor.
9. Add the Occasional Charter Surcharge, if applicable.

### **Step 1: Territory**

The mooring/usage location of the watercraft determines the territory

Northeast	Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia
North Central	Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Wisconsin, Wyoming
South Central	Alabama, Arkansas, Louisiana, Mississippi, New Mexico, Texas
Southeast	Georgia, North Carolina, South Carolina
Florida Southeast	Broward, Dade, Monroe and Palm Beach Counties
Florida Remainder	All counties not in Florida Southeast
Western	Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, Washington

### **Step 2: Hull Base Premium**

Determine the Watercraft Physical Damage Base Premium based on the Territory (from Step 1), the Type of Watercraft (Power or Sail), and Coastal Exposure (Coastal/Tidal or Inland).

Territory	<b><u>POWER</u></b>		<b><u>SAIL</u></b>	
	<b>Coastal/Tidal*</b>	<b>Inland*</b>	<b>Coastal/Tidal*</b>	<b>Inland*</b>
Northeast	\$150	\$95	\$115	\$90
North Central	N/A	\$90	N/A	\$85
South Central	\$260	\$120	\$200	\$100
Southeast	\$190	\$120	\$165	\$95
Florida Remainder	\$225	\$125	\$165	\$115
Florida Southeast	\$250	\$160	\$230	\$130
Western	\$100	\$90	\$95	\$85

\***INLAND** base premiums should be used for watercraft moored and/or used primarily in the waters of the Chesapeake Bay (excluding the following counties: Accomack, Chesapeake City, Hampton City, Norfolk City, Northhampton, Poquoson City, Portsmouth City, Virginia Beach City – these counties should use Coastal/Tidal Base Premiums) San Francisco Bay, Puget Sound and their tributaries.

### **Step 3: Hull Value**

Determine the Hull Value Factor based on the Hull Value, the Type of Watercraft and the Coastal Exposure. Multiply the premium from Step 2 times the Hull Value Factor. Round to the nearest whole dollar.

Value of Watercraft	POWER	
	Coastal/Tidal	Inland
\$2,000	1.00	0.30
\$10,000	2.90	1.45
\$25,000	4.85	3.10
\$50,000	5.60	5.10
\$75,000	7.85	8.00
\$100,000	10.10	10.25
\$150,000	14.60	14.75
Each additional \$1,000 above \$150,000	0.08 per \$1,000	0.06 per \$1,000

SAIL	
Coastal/Tidal	Inland
0.30	0.30
1.45	1.45
3.10	3.10
5.10	5.10
7.50	7.50
9.90	9.90
14.40	14.40
0.08 per \$1,000	0.06 per \$1,000

For values not listed, use interpolation. For example, a \$20,000 Power Watercraft (Coastal) would be =

The rate per \$1,000 between \$10,000 and \$25,000 is  $(4.85 - 2.90) / (25 - 10) = 0.13$

Value Factor for \$20,000 = 2.90 [Value Factor for \$10,000] + 0.13 \* 10 [the additional rate per \$1,000 for the \$10,001 to \$20,000 layer] = 4.2

#### **Step 4: Hull Deductible**

Multiply the premium from Step 3 times the deductible factor below. Round to the nearest whole dollar. The minimum deductible is \$250.

Deductible	Deductible Factor
1%	1.00
2%	0.90
3%	0.80

#### **Step 5: Age of Watercraft**

Determine the age of the Watercraft by subtracting the model year of the Watercraft from the current year. Use the age to determine the Age of Watercraft Surcharge below. Multiply the premium from Step 4 times the Age of Watercraft Surcharge Factor. Round to the nearest whole dollar.

Watercraft Age	Coastal	Inland
0 – 6 Years	1.00	1.00
7 Years	1.05	1.00
8 Years	1.10	1.00
9 Years	1.15	1.00
10 Years	1.25	1.00
11 Years	1.35	1.05
12 Years	1.45	1.15
13 Years	1.60	1.25
14 Years	1.75	1.35
15 + Years	1.90	1.50

#### **Step 6: Hurricane Deductible**

For watercrafts moored in Atlantic and Gulf Coastal waters between Maine and Texas, a special 25% hurricane deductible applies. There is a 20% hurricane deductible credit for these risks. Multiply the premium from Step 5 times 0.80. Round to the nearest dollar.

**Step 7: Protection and Indemnity (P&I)**

Add the Protection and Indemnity Base Premium to the premium from Step 6.

**Coastal/Tidal\***

<b>P&amp;I Limit</b>	<b>Less than 26'</b>	<b>26' to 30'</b>
\$300,000	\$135	\$150
\$500,000	\$160	\$190
\$1,000,000	\$225	\$270

**Inland\***

<b>P&amp;I Limit</b>	<b>Less than 26'</b>	<b>26' to 30'</b>
\$300,000	\$70	\$80
\$500,000	\$80	\$95
\$1,000,000	\$115	\$135

\***INLAND** base premiums should be used for watercraft moored and/or used primarily in the waters of the Chesapeake Bay (excluding the following counties: Accomack, Chesapeake City, Hampton City, Norfolk City, Northhampton, Poquoson City, Portsmouth City, Virginia Beach City – these counties should use Coastal/Tidal Base Premiums) San Francisco Bay, Puget Sound and their tributaries.

**Step 8: Powerboat Speed Surcharge**

Apply following surcharge. Multiply the total property damage and/or Liability premium(s) from Step 7 times the Powerboat Speed Surcharge Factor below.

<b>If watercraft can exceed</b>	<b>Surcharge Factor</b>
Can Exceed 40 MPH	1.30
Can Exceed 20 MPH, but not 40 MPH	1.05
Can Not Exceed 20 MPH	1.00

**Step 9: Occasional Charter Surcharge**

If the watercraft is used for an occasional charter, add \$50 per week. Count any partial week as one week.

Use **Watercraft Coverage** Endorsement.

**AMENDMENT TO**  
**AIG PRIVATE CLIENT GROUP**  
**HOMEOWNERS PROGRAM**  
**ARKANSAS GENERAL RULES**

**Rule VI. PROTECTION CLASSIFICATION CODES AND INFORMATION** is deleted and replaced by the following:

**VI. PROTECTION CLASSIFICATION CODES AND INFORMATION**

The **ISO Public** Protection Class listings **on file with this company in the Public Protection Classification manual** apply to risks insured under this Homeowners Program.

1. In a municipality or classified area where a single class of fire protection is available throughout, apply the protection class indicated.
2. In a municipality or classified area where two or more classifications are shown (e.g.6/9), the classification is determined as follows:

Assign Class 6 Five road miles or less to the fire station, and main dwelling within 1,000 feet of a public hydrant.

Assign Class 9\*\* Five road miles or less to the fire station, but **NO** public hydrant within 1,000 feet of the main dwelling.

\*\* If a risk is assigned an ISO Classification of 9 but meets **ALL** the following criteria, then the risk will be rated as though it were a Protection Class 6:

- a) There is a year-round alternate water source directly accessible to fire fighting equipment (directly accessible means within 20 feet or less of a hard packed road surface).
  - b) The water source contains at least 10,000 gallons of water year-round.
  - c) The water source is within 1,000 feet of the main dwelling.
  - d) The fire department is located within five miles of the main dwelling and has the equipment necessary to draft from the source.
  - e) The source can provide a continuous flow of water of 500 gallons per minute for at least 20 minutes.
3. In a municipality or classified area where the fire station is more than five road miles from the main dwelling, assign a Class 10.

<i>SERFF Tracking Number:</i>	<i>APCG-125185084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American International Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-025477</i>
<i>Company Tracking Number:</i>	<i>07-HO-AR-001R</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Homeowners 09/06 Rewrite /07-HO-AR-001R</i>		

## Supporting Document Schedules

<b>Satisfied -Name:</b>	Uniform Transmittal Document- Property & Casualty	<b>Review Status:</b> Filed	12/20/2007
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**Comments:**

**Attachments:**

Property and Casualty Transmittal Document -Rules.pdf  
Rate Filing Schedule - Rates.pdf

<b>Bypassed -Name:</b>	HPCS-Homeowners Premium Comparison Survey	<b>Review Status:</b> Filed	12/20/2007
<b>Bypass Reason:</b>	N/A as this is a rule filing only		
<b>Comments:</b>			

<b>Bypassed -Name:</b>	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	<b>Review Status:</b> Filed	12/20/2007
<b>Bypass Reason:</b>	N/A..this is an independent rule filing		
<b>Comments:</b>			

<b>Satisfied -Name:</b>	Before and After - Rules	<b>Review Status:</b> Filed	12/20/2007
<b>Comments:</b>			
<b>Attachment:</b>			
	AR - Before After HO CHANGES 0906 - Rules.pdf		

<b>Satisfied -Name:</b>	Explanatory Memo	<b>Review Status:</b> Filed	12/20/2007
<b>Comments:</b>			
<b>Attachment:</b>			
	Explanatory Memo-CW.pdf		



**Property & Casualty Transmittal Document**

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">New Business</div> <div style="width: 40%;"></div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Renewal Business</div> <div style="width: 40%;"></div> </div> f. State Filing #: g. SERFF Filing #: h. Subject Codes
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<b>3. Group Name</b>	<b>Group NAIC #</b>
American International Group	012

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
American International Insurance Company	NY	32220	13-3333609	

<b>5. Company Tracking Number</b>	<b>07-HO-AR-001R</b>
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Darren O'Toole Private Client Group 70 Pine Street, 22 <sup>nd</sup> Floor New York, NY 10270	Contract Analyst	212-770-3550	212-770-7261	Darren.o'toole@aig.com

<b>7.</b> Signature of authorized filer	
<b>8.</b> Please print name of authorized filer	Darren O'Toole

**Filing information** (see General Instructions for descriptions of these fields)

<b>9. Type of Insurance (TOI)</b>	Homeowners
<b>10. Sub-Type of Insurance (Sub-TOI)</b>	Homeowners
<b>11. State Specific Product code(s)</b> (if applicable)[See State Specific Requirements]	N/A
<b>12. Company Program Title</b> (Marketing title)	AIG Private Client Group - Homeowners
<b>13. Filing Type</b>	<input type="checkbox"/> Rate/Loss Cost x Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
<b>14. Effective Date(s) Requested</b>	New: 11/01/07                      Renewal: 01/30/08
<b>15. Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16. Reference Organization</b> (if applicable)	n/a
<b>17. Reference Organization # &amp; Title</b>	n/a
<b>18. Company's Date of Filing</b>	07/17/07
<b>19. Status of filing in domicile</b>	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

## Property & Casualty Transmittal Document—

<b>20.</b>	<b>This filing transmittal is part of Company Tracking #</b>	07-HO-AR-001R
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<b>21.</b>	<b>Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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American International Insurance Company is submitting, for your approval, revisions to our Private Client Group Homeowners Program. The revisions include amendments to our Homeowners policy language along with new and revised endorsements which are enclosed. These revisions are the result of working with our program for a period of time and receiving feedback from our brokers as to where our program can be amended to reflect the needs of our insureds. Also, please note that we are withdrawing various endorsements from our program. Please see the attached Side-By-Side Comparison for a list of forms filed and withdrawn.

The rules associated with this filing are included in corresponding filing 07-HO-AR-001R.

<b>22.</b>	<b>Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
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**Check #:** 32037567

**Amount:** \$25.00

**Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**



**\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

**RATE/RULE FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	<b>07-HO-AR-001R</b>
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<b>2.</b>	<b>This filing corresponds to form filing number</b> (Company tracking number of form filing, if applicable)	n/a
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☐ Rate Increase      ☐ Rate Decrease      ☒ Rate Neutral (0%)

<b>3.</b>	<b>Filing Method (Prior Approval, File &amp; Use, Flex Band, etc.)</b>	<b>Prior Approval</b>
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<b>4a.</b>	<b>Rate Change by Company (As Proposed)</b>						
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
AIIC	0	0	0	64	\$348,431	0	0

<b>4b.</b>	<b>Rate Change by Company (As Accepted) For State Use Only</b>						
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Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

<b>Overall Rate Information (Complete for Multiple Company Filings only)</b>			
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		COMPANY USE	STATE USE
<b>5a.</b>	<b>Overall percentage rate indication (when applicable)</b>	n/a	
<b>5b.</b>	<b>Overall percentage rate impact for this filing</b>	n/a	
<b>5c.</b>	<b>Effect of Rate Filing – Written premium change for this program</b>	n/a	
<b>5d.</b>	<b>Effect of Rate Filing – Number of policyholders affected</b>	n/a	

<b>6.</b>	<b>Overall percentage of last rate revision</b>	<b>0%</b>
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<b>7.</b>	<b>Effective Date of last rate revision</b>	
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<b>8.</b>	<b>Filing Method of Last filing</b> (Prior Approval, File & Use, Flex Band, etc.)	
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<b>9.</b>	<b>Rule # or Page # Submitted for Review</b>	<b>Replacement or Withdrawn?</b>	<b>Previous state filing number, if required by state</b>
01	General Rules Rule #6 Edition 09/06	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02	AIG Private Client Group Homeowners Rating Pages AR-RT-1 to AR-RT-21 Edition 09/06	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03	AIG Private Client Group Tenants/Condominium/Cooperative Rating Pages AR-RT-1 to AR-RT-18 Edition 09/06	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

**AMERICAN INTERNATIONAL GROUP  
PRIVATE CLIENT GROUP  
HOMEOWNER PROGRAM REVISION  
SIDE-BY-SIDE COMPARISON**

**STATE OF ARKANSAS  
AMERICAN INTERNATIONAL INSURANCE COMPANY**

**Rule Changes Associated with an Endorsement**

	<b>Endorsement</b>	<b>Amended or New coverage</b>	<b>Summary</b>	<b>Rule Status</b>	<b>Broadening Restriction Clarification</b>
1.	Equipment Breakdown PCHO-EB (09/06)	New	Optional. This endorsement provides breakdown coverage for property other than contents that generates, transmits, or utilizes energy and operates under pressure or vacuum.	New Rule	Broadening
2.	AIG Fraud SafeGuard PCHO-FRDSG (09/06)	New	Optional. This endorsement provides coverage for Stolen Identity event along with restoration services with no deductible. Fraud, Embezzlement or Forgery coverage is provided subject to a selected deductible. It also provides \$2500 for ATM theft with no deductible.	New Rule	Broadening
3.	Other Permanent Structures – Condominium & Cooperative Owner PCHO-OPSCONDO (09/06)	New	Optional. This endorsement extends coverage to OPS situated on the common grounds for any residence listed on the Declarations Page that is a condo or coop. OPS includes additions, alterations, items of real property, installations or fixtures, including OPS, paid for or acquired at the insured's expense along with the residence. For each \$1,000 of OPS coverage add, \$2.75.	New Rule	Broadening
4.	Landscaping Coverage Increased Limits PCHO-LCIL (09/06)	Amended – replace PCHO-LCIL (8/00)  See marked copy	Optional. This endorsement extends landscaping coverage for the residence up to a specific amount. It has been revised to clarify our intent that landscaping does not include forestry or brush. In addition, we are offering increased limits per Tree, Shrub or Plant to \$25,000, \$50,000, and \$100,000.	Rule Change	Broadening

	Endorsement	Amended or New coverage	Summary	Rule Status	Broadening Restriction Clarification
5.	Landscaping Wind Coverage Extension PCHO-LWCE (09/06)	Amended – replace PCHO-LWCE (8/00)  <i>See marked copy</i>	Optional. This endorsement extends coverage for landscaping losses due to the peril of wind. It has been revised to clarify our intent that landscaping does not include forestry or brush. In addition, we are offering increased limits per Tree, Shrub or Plant to \$25,000, \$50,000, and \$100,000 for the peril of Wind.	Rule Change	Broadening
6.	Increased Ensuing Fungi or Bacteria - Arkansas PCHO-IEF (12/05)	Amended – replace PCHO-IEF-AR (07/02)  See marked copy	Optional. This endorsement increases the amount that we will pay in total for loss to your house, contents and other permanent structures caused by fungi or bacteria. We have amended language to exclude “wet and dry rot.” In addition, we have added an additional limit option of \$25,000 that we will pay in total for loss to your house, contents and other permanent structures caused by fungi or bacteria. The cost is \$120.	Rule Change	Clarification
7.	AIG Household SafeGuard PCHO-HS (09/06)	New	Optional. This endorsement extends coverage for kidnapping, child abduction, stalking, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies.	New Rule	Broadening
8.	AIG Household SafeGuard (Stalking Excluded) PCHO-HS-STEX (09/06)	New	Optional. This endorsement extends coverage for kidnapping, child abduction, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies.	New Rule	Broadening

	Endorsement	Amended or New coverage	Summary	Rule Status	Broadening Restriction Clarification
9.	Flood Coverage PCHO-FLD (09/06)	New	Optional. This endorsement extends property coverage under our homeowners program for flood.	New Rule	Broadening
10.	Extended Rebuilding Cost Coverage PCHO-ERCC (09/06)	Amended – replace PCHO-ERCC (8/00) <i>See marked copy</i>	Optional. For a reduced premium, this endorsement caps the amount of coverage for reconstruction costs.	New Rule	Restriction
11.	Thoroughbred Horse Liability Extension PCHO-THL (09/06)	New	Optional. This endorsement extends \$1,000,000 of Liability coverage to thoroughbred horse owners.	New Rule	Broadening
12.	Increased Limits Business Property PCHO-ILBP (09/06)	Amended – replace PCHO-ILIB (8/00)  See marked copy	Optional. This endorsement is used to increase property coverage for business property at the specified limit.	Rule Change.	Broadening

### Rule Changes Associated with Withdrawn Endorsements

	Endorsement	Form Status	Summary	Rule Status
1.	Fungi Liability Extension PCHO-FLE (07/02)	Withdrawn	Contract enhanced to include Fungi Liability Coverage.	Withdraw Rule
2.	Identity Fraud Expense Coverage PCHO-IFEC (07/01)	Withdrawn	Replacing with enhanced coverage endorsement– Fraud Safeguard.	Withdraw Rule
3.	Increased Loss Assessment Coverage PCHO-ILAC (8/00)	Withdrawn	Contract enhanced to provide \$100,000 of coverage.	Withdraw Rule
4.	Business Property Extension PCHO-BPET (07/01)	Withdrawn	Contract enhanced to provide up to \$25,000 of coverage for business property.	Withdraw Rule

## Rule Changes Not Associated with an Endorsement

	Rule	Amended New Rule	or	Summary	Broadening Restriction Clarification
1.	Automatic Water Shut-Off Valve Credit	New		5% with central station or direct alarm reporting. This has no impact to the current book of business recently introduced loss prevention mechanism.	Broadening
2.	Automatic Water Shut-Off Valve Credit	New		3% without central station or direct alarm reporting. This has no impact to the current book of business recently introduced loss prevention mechanism.	Broadening
3.	Protection Credits	Amended		Maximum total credit is increased from 10% to 12%.	Broadening
4.	Minor Renovation Surcharge	New		A minor renovation surcharge of 25% will apply to address the increased exposure. This has no rate impact because those residences currently under renovation are typically less than 1 year.	Clarification
5.	OPS Coverage Selection	Amended		The base premium includes OPS coverage at 20% of the House coverage. The amount may be increased above 20% or decreased down to 0.	Clarification
6.	Protection Classification Codes and Information (General Rules)	Amended		Minor clarification of Protection Classification Codes and Information Rule.	Clarification
7.	Course of Construction	Amended		We are removing the current Course of Construction rating structure which encompasses base rates, discounts, and surcharges. Risks in the course of construction will be referred to company for rating purposes. Proposing to rate on a "Refer to Company" basis will provide more flexibility when rating Course of Construction risks which are unique by nature and are commonly in excess of \$5 million	Clarification



**AIG PRIVATE CLIENT GROUP  
HOMEOWNERS PROGRAM REVISION (09/06)  
ACTUARIAL/EXPLANATORY MEMORANDUM**

AIG Private Client Group is filing new and revised forms, endorsements and rules for use with our Homeowners Program.

Enhancements to our homeowner policy form include, but are not limited to the following:

1. Following a paid loss, we will pay up to \$2,500 for the installation of an approved loss prevention device to protect a residence against the same loss in the future
2. A premium credit is available if the home is protected by an Automatic Water Shut-Off Valve
3. We have increased our limit for damage to the property of others to \$10,000
4. We have increased the insured's share of a covered loss assessment to \$100,000. In addition, we have increased to \$10,000 any assessment that results from a deductible in the Association's insurance.
5. Business Property is now covered up to \$25,000 (higher options available by endorsement)
6. We now cover up to the liability limits of the policy for personal injury and property damage arising out of the presence of fungi or bacteria.

In addition to the above enhancements to our homeowner policy form, we are filing various optional coverage endorsements including, but not limited to the following:

**Equipment Breakdown:**

PCG is introducing an endorsement which provides homeowners with the choice of including Equipment Breakdown coverage on their Homeowners insurance policy. Some examples include, but are not limited to, boilers, furnaces, and central air conditioners. The complete coverage description is evident in the endorsement.

The rates and rules were developed in conjunction with The Hartford Steam Boiler Inspection and Insurance Company (HSB), which is also an AIG owned business. HSB utilized corresponding commercial frequencies and severities, adjusted and/or selected for application to the PCG high net worth clientele, in establishing the rates. HSB will reinsure 100% of the PCG Equipment Breakdown exposures, but the coverage will be offered exclusively through PCG.

**Fraud Safeguard:**

PCG is replacing our current Identity Fraud coverage with a more expanded Fraud Safeguard coverage. The expanded version includes coverage for fraud, embezzlement, or forgery, as well as stolen ID and ATM robbery. The current version only covers losses associated with fraud. Our insureds who currently purchase the Identity Fraud coverage will be renewed with the expanded version, and with the same limit. There is no rate change, despite the general higher rate level, as there is now more coverage. However, the additional rate is quite arbitrary with respect to the total HO premium, given the nature of the PCG clientele, which most often includes multi-million homes and limits, resulting in significant property premiums.

#### Household Safeguard:

PCG is introducing two endorsements which provide homeowners with the choice of including Household Safeguard coverage on their Homeowners insurance policy. One coverage endorsement extends coverage for kidnapping, child abduction, stalking, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies. The other coverage endorsement extends coverage for kidnapping, child abduction, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies.

The rates and rules are not actuarially justified as this is a new coverage for us and therefore we have no data. They are comparable to others in the industry offering this coverage.

Please see the attached Side-By-Side Comparison along with the marked copies where applicable, for a detailed explanation of all revisions being made to our Homeowners Program.

<i>SERFF Tracking Number:</i>	<i>APCG-125185084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American International Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-025477</i>
<i>Company Tracking Number:</i>	<i>07-HO-AR-001R</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners</i>		
<i>Project Name/Number:</i>	<i>Homeowners 09/06 Rewrite /07-HO-AR-001R</i>		

## Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Rate and Rule	Homeowners Rating Pages	07/10/2007	AR_HO_Rate Man 0906.pdf
No original date	Rate and Rule	Tenants/Condominium/Cooperative Rating Pages	07/10/2007	AR_tnco_Rate Man 0906.pdf

# AIG PRIVATE CLIENT GROUP HOMEOWNERS RATING PAGES STATE OF ARKANSAS

## **BASE PREMIUM**

The calculation of the **Base Premium** is described in the General Rules and includes:

- 20% of House Coverage for Other Permanent Structures coverage
- 50% of House Coverage for Contents coverage
- Other coverages, as described in the policy. See policy for complete coverage description.

## **PROTECTION CLASS/CONSTRUCTION FACTORS**

Protection Class	Construction Type		
	Frame/Veneer	Masonry	Fire Resistive
1 – 6	1.00	0.95	0.85
7, 8	1.25	1.19	1.06
9	1.90	1.81	1.62
10	2.30	2.10	1.85

### **Masonry**

The house must have exterior walls built of solid masonry or other fire resistive materials.

### **Fire Resistive**

The house must have exterior walls, floors, roof cover and roof structure built of solid masonry or other fire resistive materials with a rating of two hours or more.

## **WIND OR HAIL DEDUCTIBLES**

Wind or Hail Deductibles of 0.5%, 1% and 2% are available. The deductible will apply to the total direct loss for house, other permanent structures and contents coverages.

If a Wind or Hail Deductible is requested, the following credit will apply:

<b>Deductible</b>	<b>Credit</b>
0.5%	3%
1.0%	6%
2.0%	9%

In the event of a wind or hail loss, the greater of the standard deductible or the Wind or Hail Deductible will apply.

Use **Wind or Hail Percentage Deductible** Endorsement.

## **PERCENTAGE ADJUSTMENTS**

To apply percentage credits and surcharges:

Add together all credits and surcharges. The resulting percentage is the net credit or net surcharge to be applied to the premium. **The following discounts and surcharges are applicable to all houses excluding those in the course of construction. For houses in the course of construction, please refer to the company.**

Section I applies to all houses excluding those in the course of construction. — Section II applies only to houses in the course of construction.

### **Section I. All Houses Including Course of Construction**

#### **Claim Record Adjustment**

The premium will be adjusted according to the schedule shown below:

Consecutive Years Insured with AIG PCG	Basic Premium Adjustment				
	Number of Qualified Paid Claims in the Last 3 Years				
	0	1	2	3	4+
0 – 2	0%	0%	+30%	+55%	+85%
3 – 5	-5%	-5%	+30%	+55%	+85%
6 – 8	-10%	-10%	+25%	+55%	+85%
9 +	-15%	-15%	+10%	+45%	+85%

*Consecutive Years with AIG Private Client Group* – the years with AIG Private Client Group are determined by the number of consecutive years (ending with the current renewal date) that the policyholder or spouse has had an AIG Private Client Group policy covering their primary dwelling or contents. Although the number of consecutive years is based on the policy on the primary dwelling or contents, it will also be used for any secondary residence insured by the AIG Private Client Group.

If the policy is reinstated, the number of consecutive years with the AIG Private Client Group applying at the time of cancellation or expiration will be used provided the reinstatement occurs within three years.

*Number of Qualified Paid Claims in the Last 3 Years* – the number of claims is determined by the number of qualified paid claims the policyholder has had in the last 3 years (ending 3 months prior to the current renewal effective date). A qualified claim is considered to be any non-catastrophe or non-weather related claim that resulted in a net paid loss during this 3-year period. Losses that only have payments under Medical Payments coverage are also NOT considered to be qualified claims.

The number of qualified Property claims may be reduced or eliminated with the selection of a higher deductible. All claims that would not have applied if this higher deductible option had been in force at the time of the claim are removed from the total qualified claim count.

The number of qualified Liability claims may be reduced or eliminated with the elimination of the exposure that caused the claim.

#### **Private Collections Policy Credit**

There is a 5% credit for an insured residence which houses items insured under an AIG Private Collections policy whose premium is at least \$1,000. The residence can be either primary or secondary. The credit may be reduced if a premium reversal was to occur.

#### **Excess Flood Policy Credit**

There is a 10% credit if the insured has also purchased an AIG Private Client Group Excess Flood policy whose premium is at least \$2,000, which covers the same insured residence. The credit may be reduced if a premium reversal was to occur.

#### **Burglar Alarm Credit**

There is a 5% credit if a house has a direct reporting or central station burglar alarm system that is maintained and in use.

### **Fire Alarm Credit**

There is a 5% credit if a house has a direct reporting or central station fire alarm system that is maintained and in use.

### **Protection Credit**

There are additional credits available for a highly protected house. Maximum total credit is ~~40~~12%. Add the applicable credits from the following:

	<b>CREDIT</b>
1. Security protection for the entire external perimeter of the house consisting of any one or more of the following: <ul style="list-style-type: none"><li>• Closed circuit TV cameras monitored 24 hours a day</li><li>• Detection system, external to the residence which is motion activated and monitored 24 hours per day</li><li>• 24-hour on-site security guard.</li></ul>	5%
2. Full-time caretaker who lives at the residence year round. (if house is seasonal, this discount is not applicable; a separate discount exists). This credit applies only if a 24-hour on-site security guard is not present.	2%
3. 24-hour signal continuity protection for central station or direct fire and burglar alarm systems which ensures uninterrupted communication with the central station in the event that primary communication is interrupted.	2%
4. Sprinkler system water flow alarm that activates a central station or direct alarm.	2%
5. Temperature monitoring system, to protect against freezing, which activates a central station alarm.	2%
6. Permanently installed, electrical power back-up generator capable of servicing heat, light, alarm and sprinkler systems.	2%
7. Explosive gas leakage detector that activates a central station alarm.	2%
8. Automatic seismic shut-off valve to gas lines which activates automatically in the event of an earthquake.	2%
9. Lightning protection system having a U.L. Master Label and installed by a certified Lightning Protection Institute installer. The system must include lightning rods and lightning surge arresters protecting the electrical wiring and all electronic devices of the entire house.	2%
10. House protected by a perimeter gate where vehicular and pedestrian access is limited to entrances controlled by locked or electronic gates. This credit <u>does not</u> apply if the guard gated community credit applies.	2%
11. Automatic water shut-off valve that actively monitors and protects all residential plumbing in the main residence. If a leak occurs, this device must: <ul style="list-style-type: none"><li>• close and shut off the master plumbing valve; or</li><li>• close and shut off the mater plumbing valve and activate the central station or direct alarm system</li></ul>	3% 5%

**New House Credit**

There is a credit for a house built within the last ten years as shown below. The age of the dwelling is computed by subtracting the year of construction from the policy effective year.

<u>Age of Dwelling</u>	<u>Credit</u>
1	16%
2	15%
3	14%
4	13%
5	12%
6	10%
7	8%
8	6%
9	4%
10	2%

This credit does not apply if the renovated house credit applies.

**Renovated House Credit**

There is a credit for houses that have been renovated within the last ten years as shown below. The year of the oldest renovation will be determined by an authorized inspector. To qualify for this credit, the house must be renovated as defined in the General Rules.

<u>Years since Oldest Renovation</u>	<u>Credit</u>
1	16%
2	15%
3	14%
4	13%
5	12%
6	10%
7	8%
8	6%
9	4%
10	2%

This credit does not apply if the new house credit applies.

**Guard Gated Community Credit**

There is a 5% credit for a house located in a gated community meeting all of the following criteria:

- vehicular and pedestrian access is limited to entrances controlled by guards or locked gates at all times;
- proper identification is required to enter; and
- visitors are announced.

### **Residential Sprinkler System Credit**

There is a 10% credit for houses if all enclosed spaces are protected by a properly maintained sprinkler system. Protected areas must include:

- All living areas
- Basements
- Garages
- Mechanical areas

There is a 5% credit for houses if the following areas are protected by a properly maintained sprinkler system:

- Areas of egress
- Mechanical areas

Only one of the above sprinkler credits may apply.

### **No Contents Coverage Credit**

There is a 20% credit if the Contents coverage is eliminated in its entirety.

### **Off-Premises Theft Exclusion Credit**

The Base Premium includes coverage for loss by theft to personal property away from the residence premises. This endorsement deletes this coverage. There is a 2% credit if this coverage is deleted.

Use **Off-Premises Theft Exclusion** Endorsement.

### **Rented to Others Surcharge**

There is a 25% surcharge while the house is rented to others by the insured.

### **Minor Renovation Surcharge**

There is a 25% surcharge while the house or condominium, cooperative or rental unit is undergoing a minor renovation.

A "minor renovation" is defined as:

- (1) any project where the client remains a resident of the property, and
- (2) when the resulting increase in dwelling value does not exceed 10% of the coverage A amount or \$500,000 total (whichever is less); or
- (3) for a condominium, cooperative or rental unit, when the resulting increase in additions and alterations value does not exceed 10% of the coverage C amount or \$500,000 total (whichever is less).

### **Seasonal/Secondary House Surcharge**

There is a 10% surcharge on any house maintained as a seasonal or secondary house that is unoccupied for more than 60 days in any given policy term, if and only if there is a primary residence also insured on the same policy. The surcharge is 30% if the seasonal or secondary house is 'unsupported', or if there is no primary residence on the policy.

The 10% surcharge does not apply if a full-time caretaker is present at the seasonal or secondary house during the owner's absence, and the 'unsupported' is reduced to 20%. The surcharge is reduced to 5% (25% if unsupported) if a fulltime caretaker lives on the grounds, but not in the house itself, or to 8% (28% if unsupported) if a caretaker (or equivalent service with an established maintenance company) checks on the house at least once per week during the unoccupied time period.

### **Vacancy Surcharge**

There is a 25% surcharge if this house is vacant, defined to be empty of furnishings and contents for more than 30 days.



## Section II. Course of Construction Only

### Course of Construction Adjustment Table

<b><u>Risk Characteristic:</u></b>	<b><u>+/-</u></b>
<del>—— TIV is &lt; \$5M</del>	<b><u>+ 25%</u></b>
<del>PC 9: Fire Department Response time &lt; 10 minutes year round</del> <del>The fire department is located within 5 miles away with access routes that is clear and allow response time within 10 minutes year round.</del>	<b><u>+20%</u></b>
<del>PC 10: Fire Department Response time between 10 and 20 minutes year round</del> <del>The fire department is located between 5 and 10 miles away with access routes that is clear and allow response within 20 minutes year round or the fire department is closer but with poor access routes.</del>	<b><u>+40%</u></b>
<del>Extreme PC 10: Fire Department Response time &gt; 20 minutes</del> <del>The fire department is located over 10 miles away with access routes that are clear and allow response year round or the fire department is closer but with poor access routes.</del>	<b><u>+60%</u></b>
<b><u>Superior Protection Credits:</u></b>	
<del>Full Perimeter Fence</del> <del>Full site perimeter fence with entrance gated and locked during the hours that construction operations are not in progress</del>	<b><u>-5%</u></b>
<del>Gated Driveway</del> <del>Entranceway to site gated and locked during the hours that construction operations are not in progress</del>	<b><u>-2.5%</u></b>
<del>Exterior Lighting</del> <del>The site is fitted with exterior lights operating during all non-daylight hours</del>	<b><u>-2.5%</u></b>
<del>Watchman / Security Guard or 24 Hour Occupancy</del> <del>The guard must be onsite during the hours that construction operations are not in progress thus ensuring around the clock occupancy; or the insured must live in the home during the project.</del>	<b><u>-15%</u></b>
<b><u>Project Characteristics:</u></b>	
<del>Period of Works &gt; 12 months</del> <del>The planned period of the works exceeds 12 months and values will not be stepped.</del>	<b><u>+15%</u></b>
<del>Annual Stepping of RC</del> <del>The project will last greater than 12 months and values will be stepped on an annual basis.</del>	<b><u>+20%</u></b>
<del>Semi – Annual Stepping of RC</del> <del>The project will last greater than 12 months and values will be stepped on a 6 months basis.</del>	<b><u>+30%</u></b>
<del>Quarterly Stepping of RC</del> <del>The project will last greater than 12 months and values will be stepped on an annual basis.</del>	<b><u>+50%</u></b>
<del>Insured has Waived Subrogation Rights by Contract</del> <del>The terms of the contract between client and contractor waive the client's subrogation rights against the contractor</del>	<b><u>+50%</u></b>

## LIABILITY

### Liability

The **Base Premium** does not include a charge for personal liability. This coverage may be purchased for the charges below. This coverage will be rated in the state where the Primary residence is located regardless of the location of the additional residence(s).

Amount of Liability Coverage	Liability Premium			
	Primary Location		Each Additional Location	
	Is coverage provided for building and/or contents?		Is coverage provided for building and/or contents?	
	Yes	No	Yes	No
300,000	\$40	\$65	\$15	\$30
500,000	\$50	\$75	\$16	\$31
1,000,000	\$60	\$85	\$18	\$33

Amount of Liability Coverage	Liability Premium
	Course of Construction*
300,000	\$100
500,000	\$200
1,000,000	\$250

\*For exposures in the Course of Construction, an additional liability charge is applicable if contractors and/or subcontractors do not maintain limits of liability equal to or greater than the total insured value of the project. The additional charge is \$1,500 per million with respect to the 'gap' in liability coverage, and would be charged pro-rata when necessary. For example, if the total insured value of the project is \$5M, and the contractors liability policy limit is \$2.5M, an additional charge of  $\$1,500 * (\$5M - \$2.5M) = \$3,750$  will be applicable.

#### **Medical Payment to Others**

The Liability Premium includes \$10,000 of Medical Payments to Others.

### **DOLLAR ADJUSTMENTS**

To apply dollar adjustments:

Subtract any applicable credits and add any applicable surcharges to the premium.

#### **House Replacement Cost Credit**

If Guaranteed Rebuilding Cost Coverage on the house is removed, and Replacement Cost Coverage is selected as the payment basis for the house, there is a premium credit of \$5.

#### **House and Contents Coverage**

##### **Contents**

The **Base Premium** includes Contents coverage at 50% of the House coverage. This amount may be increased above 50%, decreased down to 10%, or eliminated. The additional charge or credit is indicated below.

Contents Coverage	Premium Adjustment
For each \$1,000 of Contents above 50% of House Coverage:	Add \$ 1.25
For each \$1,000 of Contents below 50%, but not less than 10% of House Coverage:	Subtract \$ 0.75
For no Contents Coverage	See <i>No Contents Coverage Credit</i>

#### **Other Permanent Structures**

The **Base Premium** includes Other Permanent Structures coverage at 20% of the House coverage. This amount may be increased above 20% or decreased down to a minimum of 10% 0% of House coverage. The additional charge or credit is indicated below.

Other Permanent Structures (OPS) Coverage	Premium Adjustment
For each \$1,000 of OPS above 20% of House Coverage:	Add \$ 3.00
For each \$1,000 of OPS below 20%, but not less than 10% of House Coverage:	Subtract \$ 1.00

#### **Additional Insured**

This endorsement amends coverage to include an additional person or organization on a specific location. There is no premium charge for this endorsement.

Use **Additional Insured** Endorsement.

#### **Additional Interests**

This endorsement provides coverage for any additional mortgagee(s) not listed on the Declarations Page that have an interest in the residence. There is no premium charge for this endorsement.

Use **Additional Interests** Endorsement.

#### **Business Property Extension**

This endorsement extends coverage up to a specified limit amount for a covered loss to business property. The premium charge is \$25 per \$2,500.

Use **Business Property Extension** Endorsement.

#### **Business Pursuits**

This endorsement extends liability coverage to specific business pursuits of the insured. The Business Pursuits liability limit must equal the personal liability limit selected. The premium charge is as follows:

Amount of Liability Coverage	Charge per Insured Person
\$300,000	\$25
\$500,000	\$30
\$1,000,000	\$35

Use **Business Pursuits** Endorsement.

### **Coinsurance Clause**

This endorsement describes the payment for loss to a property when the residence is not insured to value. There is no premium adjustment for this endorsement.

Use **Coinsurance Clause** Endorsement.

### **Deductible Waiver for Large Losses**

There is a surcharge when the option to waive the standard deductible for covered losses in excess of \$50,000 is selected. This endorsement ~~can be purchased~~ is available with deductibles up to \$25,000. ~~This waiver of deductible does not apply to special deductibles for wind and hail, or earthquake.~~

1. ~~Special deductibles including, but not limited to wind and hail, hurricane, named storm or earthquake, or~~
2. ~~Separate coverage deductibles contained within the Equipment Breakdown or Fraud Safeguard endorsements.~~

The premium charge is as follows:

Coverage A Limit / Deductible ->	\$250	\$500	\$1,000	\$2,500	\$5,000	\$10,000	\$25,000
0 - \$350K	\$1	\$1	\$2	\$5	\$10	\$20	\$50
\$350K - \$500K	\$1	\$2	\$4	\$10	\$20	\$40	\$100
\$500K - \$750K	\$2	\$3	\$6	\$15	\$30	\$60	\$150
\$750K - \$1M	\$3	\$5	\$10	\$25	\$50	\$100	\$250
\$1M - \$1.5M	\$4	\$8	\$15	\$38	\$75	\$150	\$375
\$1.5M - \$2M	\$5	\$10	\$20	\$50	\$100	\$200	\$500
\$2M - \$3M	\$6	\$11	\$22	\$55	\$110	\$220	\$550
\$3M - \$5M	\$6	\$12	\$24	\$60	\$120	\$240	\$600
\$5M - \$7.5M	\$7	\$13	\$26	\$65	\$130	\$260	\$650
\$7.5M - \$10M	\$8	\$16	\$32	\$80	\$160	\$320	\$800
\$10M +	\$10	\$20	\$40	\$100	\$200	\$400	\$1,000

Use **Deductible Waiver for Large Losses** Endorsement.

### **Earthquake Coverage Extension**

This peril is automatically included for Contents coverage. Coverage can be purchased to cover losses to House and Other Permanent Structures. The additional premium is computed as follows:

1. Determine the rate per \$1,000 according to construction and deductible option.
2. Apply the rate to the House amount of insurance.

The premium per \$1,000 of coverage is shown below:

Deductible	House	
	Frame/Veneer	Masonry
5%	0.75	1.00
10%	0.67	0.95
15%	0.59	0.89
20%	0.50	0.84
25%	0.42	0.79

The same construction definitions listed above for Construction Type Factors apply.

Use **Earthquake Coverage Extension** Endorsement.

### **Earthquake Coverage Extension – Loss Assessment**

This endorsement extends coverage under loss assessment for the peril of earthquakes. The premium charge is \$10 per \$1,000 of coverage up to \$100,000.

Use **Earthquake Coverage Extension for Loss Assessment** Endorsement.

### **Equipment Breakdown Coverage**

This endorsement provides equipment breakdown insurance to cover equipment attached to and made part of the dwelling or other structure which would otherwise be excluded. A premium charge is required for each location where coverage applies.

The Equipment Breakdown for Homeowners premium depends on three variables:

- a.) The value identified under Coverage A of the house, or Coverage C if a condominium, cooperative or rental unit;
- b.) The deductible; c.) The EB for Homeowners limit factor

**a.) The building value identified under Coverage A of the house, or Coverage C if a condominium, cooperative or rental unit, Real Property Value, determines the tiered base rate:**

**Table A Base Rates**

Base Rates are tiered as follows:

Real Property Value			Base Rate
	<	\$350,000	\$32
\$350,000	-	\$500,000	\$49
\$500,000	-	\$750,000	\$61
\$750,000	-	\$1,000,000	\$74
\$1,000,000	-	\$1,500,000	\$92
\$1,500,000	-	\$2,000,000	\$111
\$2,000,000	-	\$3,000,000	\$137
\$3,000,000	-	\$5,000,000	\$181
\$5,000,000	-	\$7,500,000	\$237
\$7,500,000	-	\$10,000,000	\$291
\$10,000,000	-	\$15,000,000	\$359
\$15,000,000	-	\$20,000,000	\$441
\$20,000,000	-	\$25,000,000	\$515
	>	\$25,000,000	Refer to company

**b.) The deductible on the Equipment Breakdown endorsement**

The base rates contemplate a deductible of \$500. If the Equipment Breakdown endorsement uses a higher deductible then select the applicable deductible factor from Table B. For intermediate values, use the next lower deductible entry.

Coverage A (or Coverage C if Condo, Coop or Rental Unit) Value Range	Table B      Deductibles			
	Deductible Level			
	\$500	\$1,000	\$2,500	\$5,000
0-\$350,000	1.00	0.88	0.61	0.58
\$350,000-\$500,000	1.00	0.88	0.63	0.59
\$500,000-\$750,000	1.00	0.89	0.66	0.60

\$750,000-\$1,000,000	1.00	0.89	0.67	0.61
\$1,000,000-\$1,500,000	1.00	0.90	0.71	0.61
\$1,500,000-\$2,000,000	1.00	0.91	0.73	0.61
\$2,000,000-\$3,000,000	1.00	0.92	0.74	0.62
\$3,000,000-\$5,000,000	1.00	0.92	0.76	0.63
\$5,000,000-\$7,500,000	1.00	0.93	0.80	0.64
\$7,500,000-\$10,000,000	1.00	0.95	0.83	0.64
\$10,000,000-\$15,000,000	1.00	0.95	0.85	0.65
\$15,000,000-\$20,000,000	1.00	0.96	0.85	0.66
\$20,000,000-\$25,000,000	1.00	0.96	0.86	0.66
> \$25,000,000	Refer to company			

Multiply the base rate from step 5.a by the deductible factor.

### c.) The EB for Homeowners Limit Factor

i.) Determine the limit of insurance.

ii.) Multiply the EB for Homeowners limit factor, from Table C, by the premium determined in 5.b above.

Table C		EB for Homeowners Limit Factors			
Limit	\$50,000	\$100,000	\$150,000	\$200,000	\$250,000
Factor	1.000	1.040	1.046	1.051	1.055

The resultant product is the Homeowners Equipment Breakdown endorsement premium.

Use **Equipment Breakdown Coverage Endorsement**

### Exclusion of Specified Affixed Fine Art and Unique Items

This endorsement removes coverage for specifically named Fine Art and Unique Items from the Homeowners Policy. There is a \$5 premium credit for this endorsement.

Use **Exclusion of Specified Affixed Fine Art and Unique Items Endorsement**.

### Exclusion of Specified Other Permanent Structures

See House and Contents, Other Permanent Structures under Dollar Adjustments.

### Extended Rebuilding Cost Coverage

The Policy offers Guaranteed Rebuilding Cost of the House or Other Permanent Structures. This endorsement reduces the loss payment of the House or Other Permanent Structures to 150%. The premium credit is \$2 for this endorsement.

Use **Extended Rebuilding Cost Coverage Endorsement**.

### Fine Arts Exclusion

This endorsement removes coverage for Fine Arts from the Homeowners Policy. There is a \$5 premium credit for this endorsement.

Use **Fine Arts Exclusion Endorsement**.

### **Flood Coverage**

Primary flood coverage will be provided if residence meets company underwriting guidelines. This endorsement extends coverage for flood, up to a limit of \$350,000, subject to the terms and conditions noted on the Flood Coverage Endorsement. The rates do not vary by territory.

<b>Dwelling (Coverage A) Limit / Deductible -&gt;</b>	<b>\$500</b>	<b>\$1,000</b>	<b>\$2,500</b>	<b>\$5,000</b>
0 < \$350K	326	280	223	182
\$350K < \$500K	383	331	265	215
\$500K < \$750K	423	364	291	237
\$750K < \$1M	465	400	321	260
\$1M < \$1.5M	510	440	353	287
\$1.5M < \$2M	562	485	388	315
\$2M < \$3M	618	533	427	346
\$3M < \$5M	680	586	469	381
\$5M < \$7.5M	747	645	516	419
\$7.5M < \$10M	823	710	567	461
\$10M +	905	780	624	508

<b>Dwelling (Coverage A) Limit / Deductible -&gt;</b>	<b>\$10,000</b>	<b>\$25,000</b>	<b>\$50,000</b>	<b>\$100,000</b>
0 < \$350K	143	125	112	98
\$350K < \$500K	168	149	132	116
\$500K < \$750K	186	164	146	128
\$750K < \$1M	205	180	160	140
\$1M < \$1.5M	225	198	176	153
\$1.5M < \$2M	247	218	194	170
\$2M < \$3M	272	240	213	186
\$3M < \$5M	299	264	234	205
\$5M < \$7.5M	329	290	249	226
\$7.5M < \$10M	362	319	284	248
\$10M +	397	352	313	273

Use Flood Coverage Endorsement.

### **AIG Fraud SafeGuard Coverage**

This endorsement extends coverage for fraud, embezzlement, or forgery, ATM robbery or stolen identity event. This endorsement can be purchased with deductibles up to \$5,000. The premium charge is as follows:

Fraud, Embezzlement or Forgery Limit	Stolen ID Event Limit	ATM Robbery Limit	Fraud, Embezzlement or Forgery Deductible				
			\$250	\$500	\$1,000	\$2,500	\$5,000
\$5,000	\$5,000	\$2,500	\$80	\$74	\$66	\$53	\$43
\$10,000	\$10,000	\$2,500	\$105	\$98	\$89	\$73	\$59
\$15,000	\$15,000	\$2,500	\$121	\$114	\$104	\$87	\$72
\$20,000	\$20,000	\$2,500	\$133	\$126	\$116	\$98	\$82
\$25,000	\$25,000	\$2,500	\$143	\$136	\$126	\$107	\$90
\$30,000	\$30,000	\$2,500	\$151	\$144	\$134	\$115	\$97
\$35,000	\$35,000	\$2,500	\$158	\$151	\$140	\$121	\$103
\$40,000	\$40,000	\$2,500	\$165	\$157	\$146	\$127	\$109
\$45,000	\$45,000	\$2,500	\$170	\$163	\$152	\$132	\$114
\$50,000	\$50,000	\$2,500	\$175	\$167	\$157	\$137	\$118
\$55,000	\$55,000	\$2,500	\$180	\$172	\$161	\$142	\$123
\$60,000	\$60,000	\$2,500	\$184	\$176	\$165	\$145	\$126
\$65,000	\$65,000	\$2,500	\$188	\$180	\$169	\$149	\$130
\$70,000	\$70,000	\$2,500	\$191	\$183	\$173	\$153	\$133
\$75,000	\$75,000	\$2,500	\$194	\$187	\$176	\$156	\$136
\$80,000	\$80,000	\$2,500	\$197	\$190	\$179	\$159	\$139
\$85,000	\$85,000	\$2,500	\$200	\$193	\$182	\$162	\$142
\$90,000	\$90,000	\$2,500	\$203	\$195	\$184	\$164	\$145
\$95,000	\$95,000	\$2,500	\$206	\$198	\$187	\$167	\$147
\$100,000	\$100,000	\$2,500	\$208	\$200	\$190	\$169	\$150

Use **AIG Fraud SafeGuard Coverage** Endorsement.

#### **Fungi Liability Extension**

This endorsement extends coverage up to a specified limit amount for liability arising from ensuing fungi. The premium charge is \$5 per policy.

Use **Fungi Liability Extension** Endorsement.

#### **AIG Household SafeGuard**

This endorsement extends coverage for kidnapping, child abduction, stalking, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies. The premium charge is \$95 per policy.

Use **AIG Household SafeGuard** Endorsement.

#### **AIG Household SafeGuard (Stalking Excluded)**



This endorsement extends coverage for kidnapping, child abduction, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies. The premium charge is \$95 per policy.

Use **AIG Household SafeGuard (Stalking Excluded) Endorsement**.

#### **Identity Fraud Expense Coverage**

This endorsement defines coverage for expenses incurred by a covered person as a direct result of identity fraud commenced during the policy period. The premium charge is \$25 per \$10,000.

Use **Identity Fraud Expense Coverage Endorsement**.

#### **Increased Ensuing Fungi, ~~Wet or Dry Rot,~~ or Bacteria Coverage**

Ensuing fungi remediation expense coverage is included up to \$10,000 in the base policy. The amount of coverage can be increased by either a flat dollar amount or a percentage of house coverage (or contents coverage if condo, coop or rental unit). The additional premium is shown below:

<b>Amount of Coverage</b>	<b>Premium</b>
<b>\$25,000</b>	<b>\$120</b>

available at For limits up to 100% of the House Coverage (contents, other permanent structures sub-limits apply) or 100% of Contents Coverage if condo, coop or rental unit. A separate premium is developed for these coverages by applying the following factor to policy base premium:

<b>Percentage of House Coverage (or Contents Coverage if Condo, Coop or Rental Unit)</b>	<b>Factor</b>	
	<b>Houses</b>	<b>Condos, Coops, and Renters</b>
10%	20%	10%
25%	30%	15%
50%	35%	17.5%
100%	60%	30%

Use **Increased Ensuing Fungi, ~~Wet or Dry Rot,~~ or Bacteria Coverage Endorsement**.

#### **Increased Limit on Personal Property in Other Residences**

The policy provides coverage up to 10% of the highest amount of contents coverage of any single location listed on the policy, for each occurrence, for personal property located at a residence that does not have contents coverage in this policy. The premium charge to increase this limit is \$6.50 per \$1,000.

Use **Increased Limit on Personal Property in Other Residences Endorsement**.

#### **Increased Limits ~~Incidental~~ Business Property**

This endorsement extends coverage up to a specified limit for a covered loss to business property used for an incidental business. The premium charge is \$25 per \$2,500.

Use **Increased Limits ~~Incidental~~ Business Property Endorsement**.

#### **Increased Loss Assessment Coverage**

The policy provides \$50,000 in loss assessment coverage. This coverage can be increased up to an additional \$50,000, to a total of \$100,000. The premium charge is \$2 per \$1,000.

Use **Increased Loss Assessment Coverage** Endorsement.

#### **Increased Threshold of Incidental Business**

The Homeowners Policy includes a definition for “incidental business”. This endorsement amends the definition of “incidental business” by increasing the gross annual revenues earned for business and farming for the following premium charge:

Gross Annual Revenues Earned		Premium Charge
Business	Farming	
\$25,000	\$50,000	\$50
\$50,000	\$100,000	\$100

Use **Increased Threshold of Incidental Business** Endorsement.

#### **Inflation Guard**

This endorsement increases limits of the house, contents, and other permanent structures. There is no premium charge for this endorsement.

Use **Inflation Guard** Endorsement.

#### **Landscaping Coverage Increased Limits**

The **Base Premium** includes coverage for landscaping, up to 5% of House or Contents coverage, whichever is greater. This coverage is provided for specifically named perils and includes a \$5,000 limit on any one tree, shrub or plant. The coverage amount may be increased for the following premium charge.

Tree, Shrub or Plant Limit	Aggregate Landscaping Coverage	
	Up to 5%	Above 5%
\$5,000 limit	Included	\$3.00 per \$1,000
\$10,000 limit	\$2.00 per \$1,000	\$4.00 per \$1,000
<u>\$25,000 limit</u>	<u>\$4.00 per \$1,000</u>	<u>\$8.00 per \$1,000</u>
<u>\$50,000 limit</u>	<u>\$7.00 per \$1,000</u>	<u>\$13.00 per \$1,000</u>
<u>\$100,000 limit</u>	<u>\$12.00 per \$1,000</u>	<u>\$18.00 per \$1,000</u>

Use **Landscaping Coverage Increased Limits** Endorsement.

#### **Landscaping Limitation**

The **Base Premium** includes coverage for landscaping, up to 5% of House or Contents coverage, whichever is greater. This endorsement removes the perils of fire, lightning and explosion from specifically named perils covered. It includes a \$5,000 limit on any one tree, shrub or plant. There is a \$5 premium credit for this endorsement.

Use **Landscaping Limitation** Endorsement.

### **Landscaping Wind Coverage**

The **Base Premium** does not include landscaping coverage for losses caused by wind. Coverage against this peril may be added for the following premium charge. The percentage of Landscaping Wind Coverage must equal the percentage selected for Landscaping Coverage.

<b>Tree, Shrub or Plant Limit</b>	<b>Premium Charge</b>
\$5,000 limit	\$5.00 per \$1,000
\$10,000 limit	\$8.00 per \$1,000
<b>\$25,000 limit</b>	<b>\$16.00 per \$1,000</b>
<b>\$50,000 limit</b>	<b>\$26.00 per \$1,000</b>
<b>\$100,000 limit</b>	<b>\$35.00 per \$1,000</b>

Use **Landscaping Wind Coverage** Endorsement.

### **Libel/Slander Exclusion**

This endorsement deletes libel and slander from the definition of personal injury but maintains property and personal liability coverage for insureds that may have coverage elsewhere or where we would not be able to entertain an account otherwise. There is no premium adjustment for this endorsement.

Use **Libel/Slander Exclusion** Endorsement.

### **Limited Additional Coverages**

This endorsement caps Additional Living Expense, Fair Rental Value and Forced Evacuation at 30% of the policy limit. There is a \$15 premium credit for this endorsement.

Use **Limited Additional Coverages** Endorsement.

### **Limited Residence Premises Liability Extension**

This endorsement extends coverage for liability arising from business conducted, under certain conditions, at the covered person's residence. The premium charge is \$15 per Residence.

Use **Limited Residence Premises Liability Extension** Endorsement.

### **Loss Payable Clause**

This endorsement is used to list loss payees names and addresses. There is no premium adjustment for this endorsement.

Use **Loss Payable Clause** Endorsement.

### **Miscellaneous Club Assessment Coverage**

This endorsement allows a covered person to specify a club in which we will pay assessment charges. There is a premium charge of \$10 per \$1,000.

Use **Miscellaneous Club Assessment Coverage** Endorsement.

**Personal Injury Exclusion**

This endorsement eliminates Personal Injury from the Liability Coverage. Apply the following credits to the Liability Premium:

<b>Amount of Liability Coverage</b>	<b>Credit per Policy</b>
\$300,000	\$12
\$500,000	\$15
\$1,000,000	\$18

Use **Personal Injury Exclusion** Endorsement.

**Personal Liability Exclusion**

This endorsement eliminates Personal Liability coverage from the Homeowners policy. If this endorsement applies, the Liability Premium should not be added to the **Base Premium**.

Use **Personal Liability Exclusion** Endorsement.

**Premises Liability Limitation**

This endorsement limits liability coverage to personal injury and property damage caused by an occurrence at the residence shown on the Declarations Page. There is a \$5 premium credit for this endorsement.

Use **Premises Liability Limitation** Endorsement.

**Refrigerated Food Spoilage Exclusion**

This endorsement removes coverage for food spoilage as a result of temperature change caused by the interruption of the power supply. The premium credit is \$5 for this endorsement.

Use **Refrigerated Food Spoilage Exclusion** Endorsement.

**Residence Rental Theft Exclusion**

This endorsement restricts coverage on any loss by theft from any part of the residence rented to others. There is a premium credit of \$15 per Policy.

Use **Residence Rental Theft Exclusion** Endorsement.

**Sinkhole Collapse Coverage Extension**

This endorsement extends coverage to insure direct physical loss to the house or other permanent structure arising out of a sinkhole collapse. There is a premium charge of \$0.35 per \$1,000.

Use **Sinkhole Collapse Coverage Extension** Endorsement.

**Snowmobile Liability Extension**

This endorsement extends coverage for liability resulting from the use of a snowmobile. The Snowmobile liability limit must equal the personal liability limit selected.

Liability	Premium for Each Snowmobile
\$300,000	\$ 70
\$500,000	\$ 80
\$1,000,000	\$100

This coverage includes \$10,000 of Medical Payments to Others.

Use **Snowmobile Liability Extension** Endorsement.

**Thoroughbred Horse Liability Extension**

This endorsement extends \$1,000,000 of Liability coverage to thoroughbred horse owners. The premium charge is as follows:

Number of Horses	Charge
10 or fewer	\$120
11 to 20	\$200
Greater than 20	Refer to Company

Use **Thoroughbred Horse Liability Extension** Endorsement.

**Watercraft Liability Extension**

This endorsement extends coverage for liability resulting from ownership, use and maintenance of watercraft. The Watercraft liability limit must equal the personal liability limit selected. Watercrafts must be 55 feet or less.

Liability	Premium for Each Watercraft		
	Length of Vessel		
	26' to 34'11''	35' to 44'11''	45' to 55'
\$300,000	\$200	\$275	\$350
\$500,000	\$250	\$325	\$425
\$1,000,000	\$350	\$450	\$600

This coverage includes \$10,000 of Medical Payments to Others.

Use **Watercraft Liability Extension** Endorsement.

## **Watercraft Coverage**

### **Rating Steps**

1. Determine the Territory, based on the mooring location and/or area of primary usage.
2. Calculate the Watercraft Hull Base Premium, based on the Territory, Coastal Exposure and Type of Watercraft.
3. Apply the Hull Value Factor.
4. Apply the Deductible Factor.
5. Apply the Age of Watercraft Surcharge Factor.
6. Apply the Hurricane Deductible Factor, if applicable.
7. Add the Protection and Indemnity (P&I) Premium
8. Apply the Powerboat Speed Surcharge Factor.
9. Add the Occasional Charter Surcharge, if applicable.

### **Step 1: Territory**

The mooring/usage location of the watercraft determines the territory

Northeast	Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia
North Central	Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Wisconsin, Wyoming
South Central	Alabama, Arkansas, Louisiana, Mississippi, New Mexico, Texas
Southeast	Georgia, North Carolina, South Carolina
Florida Southeast	Broward, Dade, Monroe and Palm Beach Counties
Florida Remainder	All counties not in Florida Southeast
Western	Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, Washington

### **Step 2: Hull Base Premium**

Determine the Watercraft Physical Damage Base Premium based on the Territory (from Step 1), the Type of Watercraft (Power or Sail), and Coastal Exposure (Coastal/Tidal or Inland).

Territory	<b><u>POWER</u></b>		<b><u>SAIL</u></b>	
	<b>Coastal/Tidal*</b>	<b>Inland*</b>	<b>Coastal/Tidal*</b>	<b>Inland*</b>
Northeast	\$150	\$95	\$115	\$90
North Central	N/A	\$90	N/A	\$85
South Central	\$260	\$120	\$200	\$100
Southeast	\$190	\$120	\$165	\$95
Florida Remainder	\$225	\$125	\$165	\$115
Florida Southeast	\$250	\$160	\$230	\$130
Western	\$100	\$90	\$95	\$85

\***INLAND** base premiums should be used for watercraft moored and/or used primarily in the waters of the Chesapeake Bay (excluding the following counties: Accomack, Chesapeake City, Hampton City, Norfolk City, Northampton, Poquoson City, Portsmouth City, Virginia Beach City – these counties should use Coastal/Tidal Base Premiums) San Francisco Bay, Puget Sound and their tributaries.

**Step 3: Hull Value**

Determine the Hull Value Factor based on the Hull Value, the Type of Watercraft and the Coastal Exposure. Multiply the premium from Step 2 times the Hull Value Factor. Round to the nearest whole dollar.

Value of Watercraft	POWER	
	Coastal/Tidal	Inland
\$2,000	1.00	0.30
\$10,000	2.90	1.45
\$25,000	4.85	3.10
\$50,000	5.60	5.10
\$75,000	7.85	8.00
\$100,000	10.10	10.25
\$150,000	14.60	14.75
Each add'l \$1,000 above \$150,000	0.08 per \$1,000	0.06 per \$1,000

SAIL	
Coastal/Tidal	Inland
0.30	0.30
1.45	1.45
3.10	3.10
5.10	5.10
7.50	7.50
9.90	9.90
14.40	14.40
0.08 per \$1,000	0.06 per \$1,000

For values not listed, use interpolation. For example, a \$20,000 Power Watercraft (Coastal) would be =

The rate per \$1,000 between \$10,000 and \$25,000 is  $(4.85 - 2.90) / (25 - 10) = 0.13$

Value Factor for \$20,000 =  $2.90 [\text{Value Factor for } \$10,000] + 0.13 * 10 [\text{the additional rate per } \$1,000 \text{ for the } \$10,001 \text{ to } \$20,000 \text{ layer}] = 4.2$

**Step 4: Hull Deductible**

Multiply the premium from Step 3 times the deductible factor below. Round to the nearest whole dollar. The minimum deductible is \$250.

Deductible	Deductible Factor
1%	1.00
2%	0.90
3%	0.80

**Step 5: Age of Watercraft**

Determine the age of the Watercraft by subtracting the model year of the Watercraft from the current year. Use the age to determine the Age of Watercraft Surcharge below. Multiply the premium from Step 4 times the Age of Watercraft Surcharge Factor. Round to the nearest whole dollar.

Watercraft Age	Coastal	Inland
0 – 6 Years	1.00	1.00
7 Years	1.05	1.00
8 Years	1.10	1.00
9 Years	1.15	1.00
10 Years	1.25	1.00
11 Years	1.35	1.05
12 Years	1.45	1.15
13 Years	1.60	1.25
14 Years	1.75	1.35
15 + Years	1.90	1.50

**Step 6: Hurricane Deductible**

For watercrafts moored in Atlantic and Gulf Coastal waters between Maine and Texas, a special 25% hurricane deductible applies. There is a 20% hurricane deductible credit for these risks. Multiply the premium from Step 5 times 0.80. Round to the nearest dollar.

**Step 7: Protection and Indemnity (P&I)**

Add the Protection and Indemnity Base Premium to the premium from Step 6.

**Coastal/Tidal\***

<b>P&amp;I Limit</b>	<b>Less than 26'</b>	<b>26' to 30'</b>
\$300,000	\$135	\$150
\$500,000	\$160	\$190
\$1,000,000	\$225	\$270

**Inland\***

<b>P&amp;I Limit</b>	<b>Less than 26'</b>	<b>26' to 30'</b>
\$300,000	\$70	\$80
\$500,000	\$80	\$95
\$1,000,000	\$115	\$135

\***INLAND** base premiums should be used for watercraft moored and/or used primarily in the waters of the Chesapeake Bay (excluding the following counties: Accomack, Chesapeake City, Hampton City, Norfolk City, Northampton, Poquoson City, Portsmouth City, Virginia Beach City – these counties should use Coastal/Tidal Base Premiums) San Francisco Bay, Puget Sound and their tributaries.

**Step 8: Powerboat Speed Surcharge**

Apply following surcharge. Multiply the total property damage and/or Liability premium(s) from Step 7 times the Powerboat Speed Surcharge Factor below.

<b>If watercraft can exceed</b>	<b>Surcharge Factor</b>
Can Exceed 40 MPH	1.30
Can Exceed 20 MPH, but not 40 MPH	1.05
Can Not Exceed 20 MPH	1.00

**Step 9: Occasional Charter Surcharge**

If the watercraft is used for an occasional charter, add \$50 per week. Count any partial week as one week.

Use **Watercraft Coverage** Endorsement.



**AIG PRIVATE CLIENT GROUP  
TENANTS/CONDOMINIUM/COOPERATIVE RATING PAGES  
STATE OF ARKANSAS**

**BASE PREMIUM**

The calculation of the **Base Premium** is described in the General Rules.

**PROTECTION CLASS/CONSTRUCTION FACTORS**

Protection Class	Construction Type		
	Frame/Veneer	Masonry	Fire Resistive
1 – 6	1.00	0.90	0.80
7, 8	1.30	1.17	1.04
9	1.60	1.44	1.28
10	2.00	1.70	1.50

**Masonry**

The condominium, cooperative or rental unit must have exterior walls built of solid masonry or other fire resistive materials.

**Fire Resistive**

The condominium, cooperative or rental unit must have exterior walls, floors, roof cover and roof structure built of solid masonry or other fire resistive materials with a rating of two hours or more.

**WIND OR HAIL DEDUCTIBLES**

Wind or Hail Deductibles of 0.5%, 1% and 2% are available for a condominium, cooperative or rental unit. The deductible will apply to the total direct loss for contents coverages.

If a Wind or Hail Deductible is requested, the following credit will apply:

<b>Deductible</b>	<b>Credit</b>
0.5%	1%
1.0%	2%
2.0%	3%

In the event of a wind or hail loss, the greater of the standard deductible or the Wind or Hail Deductible will apply.

Use **Wind or Hail Percentage Deductible** Endorsement.

**PERCENTAGE ADJUSTMENTS**

To apply percentage credits and surcharges:

Add together all credits and surcharges. The resulting percentage is the net credit or net surcharge to be applied to the premium. **The following discounts and surcharges are applicable to all houses excluding those in the course of construction. For houses in the course of construction, please refer to the company.**

~~Section I applies to all houses excluding those in the course of construction. Section II applies only to houses in the course of construction.~~

## Section I. All Houses Excluding Course of Construction

### Claim Record Adjustment

The premium will be adjusted according to the schedule shown below:

Consecutive Years Insured with AIG PCG	Basic Premium Adjustment				
	Number of Qualified Paid Claims in the Last 3 Years				
	0	1	2	3	4+
0 – 2	0%	0%	+30%	+55%	+85%
3 – 5	-5%	-5%	+30%	+55%	+85%
6 – 8	-10%	-10%	+25%	+55%	+85%
9 +	-15%	-15%	+10%	+45%	+85%

*Consecutive Years with AIG Private Client Group* – the years with AIG Private Client Group are determined by the number of consecutive years (ending with the current renewal date) that the policyholder or spouse has had an AIG Private Client Group policy covering their primary dwelling or contents. Although the number of consecutive years is based on the policy on the primary dwelling or contents, it will also be used for any secondary residence insured by the AIG Private Client Group.

If the policy is reinstated, the number of consecutive years with the AIG Private Client Group applying at the time of cancellation or expiration will be used provided the reinstatement occurs within three years.

*Number of Qualified Paid Claims in the Last 3 Years* – the number of claims is determined by the number of qualified paid claims the policyholder has had in the last 3 years (ending 3 months prior to the current renewal effective date). A qualified claim is considered to be any non-catastrophe or non-weather related claim that resulted in a net paid loss during this 3-year period. Losses that only have payments under Medical Payments coverage are also NOT considered to be qualified claims.

The number of qualified Property claims may be reduced or eliminated with the selection of a higher deductible. All claims that would not have applied if this higher deductible option had been in force at the time of the claim are removed from the total qualified claim count.

The number of qualified Liability claims may be reduced or eliminated with the elimination of the exposure that caused the claim.

### Burglar Alarm Credit

There is a 5% credit if a condominium, cooperative or rental unit has a direct reporting or central station burglar alarm system that is maintained and in use.

### Fire Alarm Credit

There is a 5% credit if a condominium, cooperative or rental unit has a direct reporting or central station fire alarm system that is maintained and in use.

### Excess Flood Policy Credit

There is a 10% credit if the insured has also purchased an AIG Private Client Group Excess Flood policy whose premium is at least \$2,000, which covers the same insured residence. The credit may be reduced if a premium reversal was to occur.

### Private Collections Policy Credit

There is a 5% credit for an insured residence which houses items insured under an AIG Private Collections policy whose premium is at least \$1,000. The residence can be either primary or secondary. The credit may be reduced if a premium reversal was to occur.

### **Building Protection Credit**

There is a 3% credit for a condominium, cooperative, or rental unit if the building has a 24-hour doorman.

In addition, the following credits may also apply, but only if the building has a 24-hour doorman:

- The elevators are either manned or locked and coded 1%
- The lobby has a functioning surveillance camera 1%

### **Guard Gated Community Credit**

There is a 5% credit for a condominium, cooperative or rental unit located in a gated community meeting all of the following criteria:

- vehicular and pedestrian access is limited to entrances controlled by guards or locked gates at all times;
- proper identification is required to enter; and
- visitors are announced.

### **Residential Sprinkler System Credit**

There is a 5% credit for a condominium, cooperative or rental unit if the living areas are protected by a properly maintained sprinkler system.

### **Off-Premises Theft Exclusion Credit**

The Base Premium includes coverage for loss by theft to personal property away from the residence premises. This endorsement deletes this coverage. There is a 2% credit if this coverage is deleted.

Use **Off-Premises Theft Exclusion** Endorsement.

### **Rented to Others Surcharge**

There is a 25% surcharge while the condominium, cooperative or rental unit is rented to others by the insured.

### **Minor Renovation Surcharge**

There is a 25% surcharge while the house or condominium, cooperative or rental unit is undergoing a minor renovation.

A "minor renovation" is defined as:

- (1) any project where the client remains a resident of the property, and
- (2) when the resulting increase in dwelling value does not exceed 10% of the coverage A amount or \$500,000 total (whichever is less); or
- (3) for a condominium, cooperative or rental unit, when the resulting increase in additions and alterations value does not exceed 10% of the coverage C amount or \$500,000 total (whichever is less).

### **Seasonal/Secondary House Surcharge**

There is a 10% surcharge on any house maintained as a seasonal or secondary house that is unoccupied for more than 60 days in any given policy term, if and only if there is a primary residence also insured on the same policy. The surcharge is 30% if the seasonal or secondary house is 'unsupported', or if there is no primary residence on the policy.

The 10% surcharge does not apply if a full-time caretaker is present at the seasonal or secondary house during the owner's absence, and the 'unsupported' is reduced to 20%. The surcharge is reduced to 5% (25% if unsupported) if a fulltime caretaker lives on the grounds, but not in the house itself, or to 8% (28% if unsupported) if a caretaker (or equivalent service with an established maintenance company) checks on the house at least once per week during the unoccupied time period.

### Vacancy Surcharge

There is a 25% surcharge for the condominium, cooperative or rental unit that is vacant more than 30 days.

### Section II. Course of Construction Only

#### Course of Construction Adjustment Table

<b><u>Risk Characteristic:</u></b>	<b><u>+/-</u></b>
<b><u>PC 9: Fire Department Response time &lt; 10 minutes year round</u></b> The fire department is located within 5 miles away with access routes that is clear and allow response time within 10 minutes year round.	<b><u>+20%</u></b>
<b><u>PC 10: Fire Department Response time between 10 and 20 minutes year round</u></b> The fire department is located between 5 and 10 miles away with access routes that is clear and allow response within 20 minutes year round or the fire department is closer but with poor access routes.	<b><u>+40%</u></b>
<b><u>Extreme PC 10: Fire Department Response time &gt; 20 minutes</u></b> The fire department is located over 10 miles away with access routes that are clear and allow response year round or the fire department is closer but with poor access routes.	<b><u>+60%</u></b>
<b><u>Superior Protection Credits:</u></b>	
<b><u>Full Perimeter Fence</u></b> Full site perimeter fence with entrance gated and locked during the hours that construction operations are not in progress	<b><u>-5%</u></b>
<b><u>Gated Driveway</u></b> Entranceway to site gated and locked during the hours that construction operations are not in progress	<b><u>-2.5%</u></b>
<b><u>Exterior Lighting</u></b> The site is fitted with exterior lights operating during all non-daylight hours	<b><u>-2.5%</u></b>
<b><u>Watchman / Security Guard or 24 Hour Occupancy</u></b> The guard must be onsite during the hours that construction operations are not in progress thus ensuring around the clock occupancy; or the insured must live in the home during the project.	<b><u>-15%</u></b>
<b><u>Project Characteristics:</u></b>	
<b><u>Period of Works &gt; 12 months</u></b> The planned period of the works exceeds 12 months and values will not be stepped.	<b><u>+15%</u></b>
<b><u>Annual Stepping of RC</u></b> The project will last greater than 12 months and values will be stepped on an annual basis.	<b><u>+20%</u></b>
<b><u>Semi Annual Stepping of RC</u></b> The project will last greater than 12 months and values will be stepped on a 6 months basis.	<b><u>+30%</u></b>
<b><u>Quarterly Stepping of RC</u></b> The project will last greater than 12 months and values will be stepped on an annual basis.	<b><u>+50%</u></b>
<b><u>Insured has Waived Subrogation Rights by Contract</u></b> The terms of the contract between client and contractor waive the client's subrogation rights against the contractor	<b><u>+50%</u></b>

#### Automatic Water Shut-Off Valve Credit

There is a credit if a condominium, cooperative or rental unit has an automatic water shut-off valve that actively monitors and protects all residential plumbing in the main residence. If a leak occurs, this device must:

- close and shut off the master plumbing valve; or 3%
- close and shut off the master plumbing valve and activate the central station or direct alarm system 5%

## **LIABILITY**

### **Liability**

The **Base Premium** does not include a charge for personal liability. This coverage may be purchased for the charges below. This coverage will be rated in the state where the Primary residence is located regardless of the location of the additional residence(s).

Amount of Liability Coverage	Liability Premium			
	Primary Location		Each Additional Location	
	Is coverage provided for building and/or contents?		Is coverage provided for building and/or contents?	
	Yes	No	Yes	No
300,000	\$40	\$65	\$15	\$30
500,000	\$50	\$75	\$16	\$31
1,000,000	\$60	\$85	\$18	\$33

Amount of Liability Coverage	Liability Premium
	Course of Construction*
300,000	\$100
500,000	\$200
1,000,000	\$250

\*For exposures in the Course of Construction, an additional liability charge is applicable if contractors and/or subcontractors do not maintain limits of liability equal to or greater than the total insured value of the project. The additional charge is \$1,500 per million with respect to the 'gap' in liability coverage, and would be charged pro-rata when necessary. For example, if the total insured value of the project is \$5M, and the contractors liability policy limit is \$2.5M, an additional charge of  $\$1,500 * (\$5M - \$2.5M) = \$3,750$  will be applicable.

### **Medical Payment to Others**

The Liability Premium includes \$10,000 of Medical Payments to Others.

## **DOLLAR ADJUSTMENTS**

To apply dollar adjustments:

Subtract any applicable credits and add any applicable surcharges to the premium.

### **Additional Insured**

This endorsement amends coverage to include an additional person or organization on a specific location. There is no premium charge for this endorsement.

Use **Additional Insured** Endorsement.

### **Additional Interests**

This endorsement provides coverage for any additional mortgagee(s) not listed on the Declarations Page that have an interest in the residence. There is no premium charge for this endorsement.

Use **Additional Interests** Endorsement.

### **Additions and Alterations Extended Replacement Cost**

This endorsement extends replacement cost coverage on contents up to 150% of the coverage limit listed in the Declaration Page. The premium charge is \$10 for this endorsement.

Use **Additions and Alterations Extended Replacement Cost** Endorsement.

### **Additions and Alterations Loss Limitation**

This endorsement restricts coverage to a specific sum per occurrence on a claim for loss or damage to additions and/or alterations. There is no premium adjustment for this endorsement.

Use **Additions and Alterations Loss Limitation** Endorsement.

### **Business Property Extension**

This endorsement extends coverage up to a specified limit amount for a covered loss to business property. The premium charge is \$25 per \$2,500.

Use **Business Property Extension** Endorsement.

### **Business Pursuits**

This endorsement extends liability coverage to specific business pursuits of the insured. The Business Pursuits liability limit must equal the personal liability limit selected. The premium charge is as follows:

<b>Amount of Liability Coverage</b>	<b>Charge per Insured Person</b>
\$300,000	\$25
\$500,000	\$30
\$1,000,000	\$35

Use **Business Pursuits** Endorsement.

### **Deductible Waiver for Large Losses**

There is a surcharge when the option to waive the standard deductible for covered losses in excess of \$50,000 is selected. This endorsement can be purchased with deductibles up to \$25,000. This waiver of deductible does not apply to : special deductibles for wind and hail, or earthquake.

1. Special deductibles including but not limited to wind and hail, hurricane, named storm or earthquake, or
2. Separate coverage deductibles contained within the Equipment Breakdown or Fraud Safeguard endorsements.

The premium charge is as follows:

Coverage A Limit / Deductible ->	\$250	\$500	\$1,000	\$2,500	\$5,000	\$10,000	\$25,000
0 - \$350K	\$1	\$1	\$2	\$5	\$10	\$20	\$50
\$350K - \$500K	\$1	\$2	\$4	\$10	\$20	\$40	\$100
\$500K - \$750K	\$2	\$3	\$6	\$15	\$30	\$60	\$150
\$750K - \$1M	\$3	\$5	\$10	\$25	\$50	\$100	\$250
\$1M - \$1.5M	\$4	\$8	\$15	\$38	\$75	\$150	\$375
\$1.5M - \$2M	\$5	\$10	\$20	\$50	\$100	\$200	\$500
\$2M - \$3M	\$6	\$11	\$22	\$55	\$110	\$220	\$550
\$3M - \$5M	\$6	\$12	\$24	\$60	\$120	\$240	\$600
\$5M - \$7.5M	\$7	\$13	\$26	\$65	\$130	\$260	\$650
\$7.5M - \$10M	\$8	\$16	\$32	\$80	\$160	\$320	\$800
\$10M +	\$10	\$20	\$40	\$100	\$200	\$400	\$1,000

Use **Deductible Waiver for Large Losses** Endorsement.

#### **Earthquake Coverage Extension – Loss Assessment**

This endorsement extends coverage under loss assessment for the peril of earthquakes. The premium charge is \$10 per \$1,000 **of coverage up to \$100,000**

Use **Earthquake Coverage Extension for Loss Assessment** Endorsement.

#### **Equipment Breakdown Coverage**

**This endorsement provides equipment breakdown insurance to cover equipment attached to and made part of the dwelling or other structure which would otherwise be excluded. A premium charge is required for each location where coverage applies.**

**The Equipment Breakdown for Homeowners premium depends on three variables:**

- a.) The value identified under Coverage A of the house, or Coverage C if a condominium, cooperative or rental unit;
- b.) The deductible; c.) The EB for Homeowners limit factor

- a.) **The building value identified under Coverage A of the house, or Coverage C if a condominium, cooperative or rental unit, Real Property Value, determines the tiered base rate;**

**Table A Base Rates**

**Base Rates are tiered as follows:**

Real Property Value			Base Rate
	<	\$350,000	\$32
\$350,000	-	\$500,000	\$49
\$500,000	-	\$750,000	\$61
\$750,000	-	\$1,000,000	\$74
\$1,000,000	-	\$1,500,000	\$92
\$1,500,000	-	\$2,000,000	\$111
\$2,000,000	-	\$3,000,000	\$137
\$3,000,000	-	\$5,000,000	\$181
\$5,000,000	-	\$7,500,000	\$237
\$7,500,000	-	\$10,000,000	\$291
\$10,000,000	-	\$15,000,000	\$359
\$15,000,000	-	\$20,000,000	\$441
\$20,000,000	-	\$25,000,000	\$515

>	\$25,000,000	Refer to company
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#### **b.) The deductible on the Equipment Breakdown endorsement**

The base rates contemplate a deductible of \$500. If the Equipment Breakdown endorsement uses a higher deductible then select the applicable deductible factor from Table B. For intermediate values, use the next lower deductible entry.

Coverage A (or Coverage C if Condo, Coop or Rental Unit) Value Range	Table B Deductibles			
	Deductible Level			
	\$500	\$1,000	\$2,500	\$5,000
0-\$350,000	1.00	0.88	0.61	0.58
\$350,000-\$500,000	1.00	0.88	0.63	0.59
\$500,000-\$750,000	1.00	0.89	0.66	0.60
\$750,000-\$1,000,000	1.00	0.89	0.67	0.61
\$1,000,000-\$1,500,000	1.00	0.90	0.71	0.61
\$1,500,000-\$2,000,000	1.00	0.91	0.73	0.61
\$2,000,000-\$3,000,000	1.00	0.92	0.74	0.62
\$3,000,000-\$5,000,000	1.00	0.92	0.76	0.63
\$5,000,000-\$7,500,000	1.00	0.93	0.80	0.64
\$7,500,000-\$10,000,000	1.00	0.95	0.83	0.64
\$10,000,000-\$15,000,000	1.00	0.95	0.85	0.65
\$15,000,000-\$20,000,000	1.00	0.96	0.85	0.66
\$20,000,000-\$25,000,000	1.00	0.96	0.86	0.66
> \$25,000,000	Refer to company			

Multiply the base rate from step 5.a by the deductible factor.

#### **c.) The EB for Homeowners Limit Factor**

i.) Determine the limit of insurance.

ii.) Multiply the EB for Homeowners limit factor, from Table C, by the premium determined in 5.b above.

Limit	Table C EB for Homeowners Limit Factors				
	\$50,000	\$100,000	\$150,000	\$200,000	\$250,000
Factor	1.000	1.040	1.046	1.051	1.055

The resultant product is the Homeowners Equipment Breakdown endorsement premium.

**Use Equipment Breakdown Coverage Endorsement.**

#### **Exclusion of Specified Affixed Fine Art and Unique Items**

This endorsement removes coverage for specifically named Fine Art and Unique Items from the Homeowners Policy. There is a \$5 premium credit for this endorsement.

Use **Exclusion of Specified Affixed Fine Art and Unique Items** Endorsement.



### **Fine Arts Exclusion**

This endorsement removes coverage for Fine Arts from the Homeowners Policy. There is a \$5 premium credit for this endorsement.

Use **Fine Arts Exclusion** Endorsement.

### **Flood Coverage**

Primary flood coverage will be provided if residence meets company underwriting guidelines. This endorsement extends coverage for flood, up to a limit of \$100,000, subject to the terms and conditions noted on the Flood Coverage Endorsement. The rates do not vary by territory.

<b><u>Contents (Coverage C) Limit / Deductible -&gt;</u></b>	<b><u>\$500</u></b>	<b><u>\$1,000</u></b>	<b><u>\$2,500</u></b>	<b><u>\$5,000</u></b>
<b><u>\$0K &lt; \$100K</u></b>	<b><u>107</u></b>	<b><u>92</u></b>	<b><u>74</u></b>	<b><u>59</u></b>
<b><u>\$100K &lt; \$200K</u></b>	<b><u>171</u></b>	<b><u>148</u></b>	<b><u>118</u></b>	<b><u>96</u></b>
<b><u>\$200K &lt; \$350K</u></b>	<b><u>195</u></b>	<b><u>168</u></b>	<b><u>134</u></b>	<b><u>109</u></b>
<b><u>\$350K &lt; \$500K</u></b>	<b><u>230</u></b>	<b><u>199</u></b>	<b><u>159</u></b>	<b><u>129</u></b>
<b><u>\$500K &lt; \$750K</u></b>	<b><u>254</u></b>	<b><u>218</u></b>	<b><u>175</u></b>	<b><u>142</u></b>
<b><u>\$750K &lt; \$1M</u></b>	<b><u>279</u></b>	<b><u>240</u></b>	<b><u>192</u></b>	<b><u>156</u></b>
<b><u>\$1M &lt; \$1.5M</u></b>	<b><u>306</u></b>	<b><u>264</u></b>	<b><u>212</u></b>	<b><u>172</u></b>
<b><u>\$1.5M &lt; \$2M</u></b>	<b><u>337</u></b>	<b><u>291</u></b>	<b><u>233</u></b>	<b><u>189</u></b>
<b><u>\$2M &lt; \$3M</u></b>	<b><u>371</u></b>	<b><u>320</u></b>	<b><u>256</u></b>	<b><u>208</u></b>
<b><u>\$3M - \$5M</u></b>	<b><u>408</u></b>	<b><u>352</u></b>	<b><u>281</u></b>	<b><u>229</u></b>
<b><u>\$5M &lt; \$7.5M</u></b>	<b><u>448</u></b>	<b><u>387</u></b>	<b><u>309</u></b>	<b><u>251</u></b>
<b><u>\$7.5M &lt; \$10M</u></b>	<b><u>494</u></b>	<b><u>426</u></b>	<b><u>340</u></b>	<b><u>276</u></b>
<b><u>\$10M +</u></b>	<b><u>543</u></b>	<b><u>468</u></b>	<b><u>374</u></b>	<b><u>305</u></b>

<b><u>Contents (Coverage C) Limit / Deductible -&gt;</u></b>	<b><u>\$10,000</u></b>	<b><u>\$25,000</u></b>	<b><u>\$50,000</u></b>	<b><u>\$100,000</u></b>
<b><u>\$0K &lt; \$100K</u></b>	<b><u>48</u></b>	<b><u>42</u></b>	<b><u>36</u></b>	<b><u>33</u></b>
<b><u>\$100K &lt; \$200K</u></b>	<b><u>76</u></b>	<b><u>66</u></b>	<b><u>59</u></b>	<b><u>52</u></b>
<b><u>\$200K &lt; \$350K</u></b>	<b><u>86</u></b>	<b><u>75</u></b>	<b><u>67</u></b>	<b><u>59</u></b>
<b><u>\$350K &lt; \$500K</u></b>	<b><u>101</u></b>	<b><u>90</u></b>	<b><u>79</u></b>	<b><u>69</u></b>
<b><u>\$500K &lt; \$750K</u></b>	<b><u>112</u></b>	<b><u>99</u></b>	<b><u>87</u></b>	<b><u>77</u></b>
<b><u>\$750K &lt; \$1M</u></b>	<b><u>123</u></b>	<b><u>108</u></b>	<b><u>96</u></b>	<b><u>84</u></b>
<b><u>\$1M &lt; \$1.5M</u></b>	<b><u>135</u></b>	<b><u>119</u></b>	<b><u>106</u></b>	<b><u>92</u></b>
<b><u>\$1.5M &lt; \$2M</u></b>	<b><u>148</u></b>	<b><u>131</u></b>	<b><u>116</u></b>	<b><u>102</u></b>
<b><u>\$2M &lt; \$3M</u></b>	<b><u>163</u></b>	<b><u>144</u></b>	<b><u>128</u></b>	<b><u>111</u></b>
<b><u>\$3M - \$5M</u></b>	<b><u>179</u></b>	<b><u>158</u></b>	<b><u>141</u></b>	<b><u>123</u></b>
<b><u>\$5M &lt; \$7.5M</u></b>	<b><u>197</u></b>	<b><u>174</u></b>	<b><u>155</u></b>	<b><u>136</u></b>
<b><u>\$7.5M &lt; \$10M</u></b>	<b><u>217</u></b>	<b><u>192</u></b>	<b><u>171</u></b>	<b><u>149</u></b>
<b><u>\$10M +</u></b>	<b><u>238</u></b>	<b><u>211</u></b>	<b><u>188</u></b>	<b><u>164</u></b>

Use **Flood Coverage** Endorsement.

### **AIG Fraud SafeGuard Coverage**

This endorsement extends coverage for fraud, embezzlement, or forgery, ATM robbery or stolen identity event. This endorsement can be purchased with deductibles up to \$5,000. The premium charge is as follows:

Fraud, Embezzlement or Forgery Limit	Stolen ID Event Limit	ATM Robbery Limit	Fraud, Embezzlement or Forgery Deductible				
			\$250	\$500	\$1,000	\$2,500	\$5,000
\$5,000	\$5,000	\$2,500	\$80	\$74	\$66	\$53	\$43
\$10,000	\$10,000	\$2,500	\$105	\$98	\$89	\$73	\$59
\$15,000	\$15,000	\$2,500	\$121	\$114	\$104	\$87	\$72
\$20,000	\$20,000	\$2,500	\$133	\$126	\$116	\$98	\$82
\$25,000	\$25,000	\$2,500	\$143	\$136	\$126	\$107	\$90
\$30,000	\$30,000	\$2,500	\$151	\$144	\$134	\$115	\$97
\$35,000	\$35,000	\$2,500	\$158	\$151	\$140	\$121	\$103
\$40,000	\$40,000	\$2,500	\$165	\$157	\$146	\$127	\$109
\$45,000	\$45,000	\$2,500	\$170	\$163	\$152	\$132	\$114
\$50,000	\$50,000	\$2,500	\$175	\$167	\$157	\$137	\$118
\$55,000	\$55,000	\$2,500	\$180	\$172	\$161	\$142	\$123
\$60,000	\$60,000	\$2,500	\$184	\$176	\$165	\$145	\$126
\$65,000	\$65,000	\$2,500	\$188	\$180	\$169	\$149	\$130
\$70,000	\$70,000	\$2,500	\$191	\$183	\$173	\$153	\$133
\$75,000	\$75,000	\$2,500	\$194	\$187	\$176	\$156	\$136
\$80,000	\$80,000	\$2,500	\$197	\$190	\$179	\$159	\$139
\$85,000	\$85,000	\$2,500	\$200	\$193	\$182	\$162	\$142
\$90,000	\$90,000	\$2,500	\$203	\$195	\$184	\$164	\$145
\$95,000	\$95,000	\$2,500	\$206	\$198	\$187	\$167	\$147
\$100,000	\$100,000	\$2,500	\$208	\$200	\$190	\$169	\$150

Use **AIG Fraud SafeGuard Coverage Endorsement**

#### **Fungi Liability Extension**

This endorsement extends coverage up to a specified limit amount for liability arising from ensuing fungi. The premium charge is \$5 per policy.

Use **Fungi Liability Extension Endorsement**.

#### **AIG Household SafeGuard**

This endorsement extends coverage for kidnapping, child abduction, stalking, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies. The premium charge is \$95 per policy.

Use **AIG Household SafeGuard Endorsement**.

### **AIG Household SafeGuard (Stalking Excluded)**

This endorsement extends coverage for kidnapping, child abduction, home invasion, car jacking, hijacking and violent threat for occurrences anytime during the policy period, unless stated otherwise or an exclusion applies. The premium charge is \$95 per policy.

Use **AIG Household SafeGuard (Stalking Excluded)** Endorsement.

### **Identity Fraud Expense Coverage**

This endorsement defines coverage for expenses incurred by a covered person as a direct result of identity fraud commenced during the policy period. The premium charge is \$25 per \$10,000.

Use **Identity Fraud Expense Coverage** Endorsement.

### **Increased Ensuing Fungi, ~~Wet or Dry Rot,~~ or Bacteria Coverage**

Ensuing fungi remediation expense coverage is included up to \$10,000 in the base policy. The amount of coverage can be increased by either a flat dollar amount or a percentage of house coverage (or contents coverage if condo, coop or rental unit). The additional premium is shown below:

<b><u>Amount of Coverage</u></b>	<b><u>Premium</u></b>
<b><u>\$25,000</u></b>	<b><u>\$120</u></b>

available at For limits up to 100% of the House Coverage (contents, other permanent structures sub-limits apply) or 100% of Contents Coverage if condo, coop or rental unit. A separate premium is developed for these coverages by applying the following factor to policy base premium:

<b><u>Percentage of House Coverage(or Contents Coverage if Condo, Coop or Rental Unit)</u></b>	<b><u>Factor</u></b>	
	<b><u>Houses</u></b>	<b><u>Condos, Coops, and Renters</u></b>
10%	20%	10%
25%	30%	15%
50%	35%	17.5%
100%	60%	30%

Use **Increased Ensuing Fungi ~~Wet or Dry Rot,~~ or Bacteria Coverage** Endorsement.

### **Increased Limit on Personal Property in Other Residences**

The policy provides coverage up to 10% of the highest amount of contents coverage of any single location listed on the policy, for each occurrence, for personal property located at a residence that does not have contents coverage in this policy. The premium charge to increase this limit is \$6.50 per \$1,000.

Use **Increased Limit on Personal Property in Other Residences** Endorsement.

### **Increased Limits ~~Incidental~~ Business Property**

This endorsement extends coverage up to a specified limit for a covered loss to property used for an incidental business. The premium charge is \$25 per \$2,500.

Use **Increased Limits Incidental Business Property** Endorsement.

### **Increased Loss Assessment Coverage**

The policy provides \$50,000 in loss assessment coverage. This coverage can be increased up to an additional \$50,000, to a total of \$100,000. The premium charge is \$2 per \$1,000.

Use **Increased Loss Assessment Coverage** Endorsement.

### **Increased Threshold of Incidental Business**

The Homeowners Policy includes a definition for “incidental business”. This endorsement amends the definition of “incidental business” by increasing the gross annual revenues earned for business and farming for the following premium charge:

Gross Annual Revenues Earned		Premium Charge
Business	Farming	
\$25,000	\$50,000	\$50
\$50,000	\$100,000	\$100

Use **Increased Threshold of Incidental Business** Endorsement.

### **Inflation Guard**

This endorsement increases limits of the house, contents, and other permanent structures. There is no premium charge for this endorsement.

Use **Inflation Guard** Endorsement.

### **Landscaping Coverage Increased Limits**

The **Base Premium** includes coverage for landscaping, up to 5% of House or Contents coverage, whichever is greater. This coverage is provided for specifically named perils and includes a \$5,000 limit on any one tree, shrub or plant. The coverage amount may be increased for the following premium charge.

Tree, Shrub or Plant Limit	Aggregate Landscaping Coverage	
	Up to 5%	Above 5%
\$5,000 limit	Included	\$3.00 per \$1,000
\$10,000 limit	\$2.00 per \$1,000	\$4.00 per \$1,000
<u>\$25,000 limit</u>	<u>\$4.00 per \$1,000</u>	<u>\$8.00 per \$1,000</u>
<u>\$50,000 limit</u>	<u>\$7.00 per \$1,000</u>	<u>\$13.00 per \$1,000</u>
<u>\$100,000 limit</u>	<u>\$12.00 per \$1,000</u>	<u>\$18.00 per \$1,000</u>

Use **Landscaping Coverage Increased Limits** Endorsement.

### **Landscaping Limitation**

The **Base Premium** includes coverage for landscaping, up to 5% of House or Contents coverage, whichever is greater. This endorsement removes the perils of fire, lightning and explosion from specifically named perils covered. It includes a \$5,000 limit on any one tree, shrub or plant. There is a \$5 premium credit for this endorsement.

Use **Landscaping Limitation** Endorsement.

### **Landscaping Wind Coverage**

The **Base Premium** does not include landscaping coverage for losses caused by wind. Coverage against this peril may be added for the following premium charge. The percentage of Landscaping Wind Coverage must equal the percentage selected for Landscaping Coverage.

<b>Tree, Shrub or Plant Limit</b>	<b>Premium Charge</b>
\$5,000 limit	\$5.00 per \$1,000
\$10,000 limit	\$8.00 per \$1,000
<b>\$25,000 limit</b>	<b>\$16.00 per \$1,000</b>
<b>\$50,000 limit</b>	<b>\$26.00 per \$1,000</b>
<b>\$100,000 limit</b>	<b>\$35.00 per \$1,000</b>

Use **Landscaping Wind Coverage** Endorsement.

### **Libel/Slander Exclusion**

This endorsement deletes libel and slander from the definition of personal injury but maintains property and personal liability coverage for insureds that may have coverage elsewhere or where we would not be able to entertain an account otherwise. There is no premium adjustment for this endorsement.

Use **Libel/Slander Exclusion** Endorsement.

### **Limited Additional Coverages**

This endorsement caps Additional Living Expense, Fair Rental Value and Forced Evacuation at 30% of the policy limit. There is a \$15 premium credit for this endorsement.

Use **Limited Additional Coverages** Endorsement.

### **Limited Residence Premises Liability Extension**

This endorsement extends coverage for liability arising from business conducted, under certain conditions, at the covered person's residence. The premium charge is \$15 per Residence.

Use **Limited Residence Premises Liability Extension** Endorsement.

### **Loss Payable Clause**

This endorsement is used to list loss payees names and addresses. There is no premium adjustment for this endorsement.

Use **Loss Payable Clause** Endorsement.

### **Miscellaneous Club Assessment Coverage**

This endorsement allows a covered person to specify a club in which we will pay assessment charges. There is a premium charge of \$10 per \$1,000.

Use **Miscellaneous Club Assessment Coverage** Endorsement.

### **Other Permanent Structures – Condominium & Cooperative Owner Coverage**

For any residence listed on the Declarations Page that is a condominium or cooperative unit, other permanent structures includes additions, alterations, items of real property, installations or fixtures, including other permanent structures paid for or acquired at the insured's expense along with the residence. There is a premium charge of \$2.75 per \$1,000 of OPS coverage.

### **Use Other Permanent Structures – Condominium & Cooperative Owner Endorsement**

#### **Personal Injury Exclusion**

This endorsement eliminates Personal Injury from the Liability Coverage. Apply the following credits to the Liability Premium:

<b>Amount of Liability Coverage</b>	<b>Credit per Policy</b>
\$300,000	\$12
\$500,000	\$15
\$1,000,000	\$18

Use **Personal Injury Exclusion** Endorsement.

#### **Personal Liability Exclusion**

This endorsement eliminates Personal Liability coverage from the Homeowners policy. If this endorsement applies, the Liability Premium should not be added to the **Base Premium**.

Use **Personal Liability Exclusion** Endorsement.

#### **Premises Liability Limitation**

This endorsement limits liability coverage to personal injury and property damage caused by an occurrence at the residence shown on the Declarations Page. There is a \$5 premium credit for this endorsement.

Use **Premises Liability Limitation** Endorsement.

#### **Refrigerated Food Spoilage Exclusion**

This endorsement removes coverage for food spoilage as a result of temperature change caused by the interruption of the power supply. The premium credit is \$5 for this endorsement.

Use **Refrigerated Food Spoilage Exclusion** Endorsement.

#### **Residence Rental Theft Exclusion**

This endorsement restricts coverage on any loss by theft from any part of the residence rented to others. There is a premium credit of \$15 per Policy.

Use **Residence Rental Theft Exclusion** Endorsement.

#### **Snowmobile Liability Extension**

This endorsement extends coverage for liability resulting from the use of a snowmobile. The Snowmobile liability limit must equal the personal liability limit selected.

Liability	Premium for Each Snowmobile
\$300,000	\$ 70
\$500,000	\$ 80
\$1,000,000	\$100

This coverage includes \$10,000 of Medical Payments to Others.

Use **Snowmobile Liability Extension** Endorsement.

### **Thoroughbred Horse Liability Extension**

This endorsement extends \$1,000,000 of Liability coverage to thoroughbred horse owners. The premium charge is as follows:

Number of Horses	Charge
10 or fewer	\$120
11 to 20	\$200
Greater than 20	Refer to Company

Use **Thoroughbred Horse Liability Extension** Endorsement.

### **Watercraft Liability Extension**

This endorsement extends coverage for liability resulting from ownership, use and maintenance of watercraft. The Watercraft liability limit must equal the personal liability limit selected. Watercrafts must be 55 feet or less.

Liability	Premium for Each Watercraft		
	Length of Vessel		
	26' to 34' 11''	35' to 44' 11''	45' to 55'
\$300,000	\$200	\$275	\$350
\$500,000	\$250	\$325	\$425
\$1,000,000	\$350	\$450	\$600

This coverage includes \$10,000 of Medical Payments to Others.

Use **Watercraft Liability Extension** Endorsement.

### **Watercraft Coverage**

#### **Rating Steps**

1. Determine the Territory, based on the mooring location and/or area of primary usage.
2. Calculate the Watercraft Hull Base Premium, based on the Territory, Coastal Exposure and Type of Watercraft.
3. Apply the Hull Value Factor.
4. Apply the Deductible Factor.
5. Apply the Age of Watercraft Surcharge Factor.
6. Apply the Hurricane Deductible Factor, if applicable.
7. Add the Protection and Indemnity (P&I) Premium
8. Apply the Powerboat Speed Surcharge Factor.
9. Add the Occasional Charter Surcharge, if applicable.

### **Step 1: Territory**

The mooring/usage location of the watercraft determines the territory

Northeast	Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia
North Central	Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Wisconsin, Wyoming
South Central	Alabama, Arkansas, Louisiana, Mississippi, New Mexico, Texas
Southeast	Georgia, North Carolina, South Carolina
Florida Southeast	Broward, Dade, Monroe and Palm Beach Counties
Florida Remainder	All counties not in Florida Southeast
Western	Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, Washington

### **Step 2: Hull Base Premium**

Determine the Watercraft Physical Damage Base Premium based on the Territory (from Step 1), the Type of Watercraft (Power or Sail), and Coastal Exposure (Coastal/Tidal or Inland).

Territory	<b><u>POWER</u></b>		<b><u>SAIL</u></b>	
	<b>Coastal/Tidal*</b>	<b>Inland*</b>	<b>Coastal/Tidal*</b>	<b>Inland*</b>
Northeast	\$150	\$95	\$115	\$90
North Central	N/A	\$90	N/A	\$85
South Central	\$260	\$120	\$200	\$100
Southeast	\$190	\$120	\$165	\$95
Florida Remainder	\$225	\$125	\$165	\$115
Florida Southeast	\$250	\$160	\$230	\$130
Western	\$100	\$90	\$95	\$85

\***INLAND** base premiums should be used for watercraft moored and/or used primarily in the waters of the Chesapeake Bay (excluding the following counties: Accomack, Chesapeake City, Hampton City, Norfolk City, Northhampton, Poquoson City, Portsmouth City, Virginia Beach City – these counties should use Coastal/Tidal Base Premiums) San Francisco Bay, Puget Sound and their tributaries.

### **Step 3: Hull Value**

Determine the Hull Value Factor based on the Hull Value, the Type of Watercraft and the Coastal Exposure. Multiply the premium from Step 2 times the Hull Value Factor. Round to the nearest whole dollar.



Value of Watercraft	POWER	
	Coastal/Tidal	Inland
\$2,000	1.00	0.30
\$10,000	2.90	1.45
\$25,000	4.85	3.10
\$50,000	5.60	5.10
\$75,000	7.85	8.00
\$100,000	10.10	10.25
\$150,000	14.60	14.75
Each additional \$1,000 above \$150,000	0.08 per \$1,000	0.06 per \$1,000

SAIL	
Coastal/Tidal	Inland
0.30	0.30
1.45	1.45
3.10	3.10
5.10	5.10
7.50	7.50
9.90	9.90
14.40	14.40
0.08 per \$1,000	0.06 per \$1,000

For values not listed, use interpolation. For example, a \$20,000 Power Watercraft (Coastal) would be =

The rate per \$1,000 between \$10,000 and \$25,000 is  $(4.85 - 2.90) / (25 - 10) = 0.13$

Value Factor for \$20,000 = 2.90 [Value Factor for \$10,000] + 0.13 \* 10 [the additional rate per \$1,000 for the \$10,001 to \$20,000 layer] = 4.2

#### **Step 4: Hull Deductible**

Multiply the premium from Step 3 times the deductible factor below. Round to the nearest whole dollar. The minimum deductible is \$250.

Deductible	Deductible Factor
1%	1.00
2%	0.90
3%	0.80

#### **Step 5: Age of Watercraft**

Determine the age of the Watercraft by subtracting the model year of the Watercraft from the current year. Use the age to determine the Age of Watercraft Surcharge below. Multiply the premium from Step 4 times the Age of Watercraft Surcharge Factor. Round to the nearest whole dollar.

Watercraft Age	Coastal	Inland
0 – 6 Years	1.00	1.00
7 Years	1.05	1.00
8 Years	1.10	1.00
9 Years	1.15	1.00
10 Years	1.25	1.00
11 Years	1.35	1.05
12 Years	1.45	1.15
13 Years	1.60	1.25
14 Years	1.75	1.35
15 + Years	1.90	1.50

#### **Step 6: Hurricane Deductible**

For watercrafts moored in Atlantic and Gulf Coastal waters between Maine and Texas, a special 25% hurricane deductible applies. There is a 20% hurricane deductible credit for these risks. Multiply the premium from Step 5 times 0.80. Round to the nearest dollar.

**Step 7: Protection and Indemnity (P&I)**

Add the Protection and Indemnity Base Premium to the premium from Step 6.

**Coastal/Tidal\***

<b>P&amp;I Limit</b>	<b>Less than 26'</b>	<b>26' to 30'</b>
\$300,000	\$135	\$150
\$500,000	\$160	\$190
\$1,000,000	\$225	\$270

**Inland\***

<b>P&amp;I Limit</b>	<b>Less than 26'</b>	<b>26' to 30'</b>
\$300,000	\$70	\$80
\$500,000	\$80	\$95
\$1,000,000	\$115	\$135

\***INLAND** base premiums should be used for watercraft moored and/or used primarily in the waters of the Chesapeake Bay (excluding the following counties: Accomack, Chesapeake City, Hampton City, Norfolk City, Northampton, Poquoson City, Portsmouth City, Virginia Beach City – these counties should use Coastal/Tidal Base Premiums) San Francisco Bay, Puget Sound and their tributaries.

**Step 8: Powerboat Speed Surcharge**

Apply following surcharge. Multiply the total property damage and/or Liability premium(s) from Step 7 times the Powerboat Speed Surcharge Factor below.

<b>If watercraft can exceed</b>	<b>Surcharge Factor</b>
Can Exceed 40 MPH	1.30
Can Exceed 20 MPH, but not 40 MPH	1.05
Can Not Exceed 20 MPH	1.00

**Step 9: Occasional Charter Surcharge**

If the watercraft is used for an occasional charter, add \$50 per week. Count any partial week as one week.

Use **Watercraft Coverage** Endorsement.